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Ninety-Ninth Congress, First Session

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POWERS AND DUTIES, COMMITTEE ON ARMED SERVICES, 99TH CONGRESS

BACKGROUND

The House Committee on Armed Services, a standing committee of Congress, was established on January 2, 1947, as a part of the Legislative Reorganization Act of 1946 (60 Stat. 812), by merging the Committees on Military Affairs and Naval Affairs. The Committees on Military Affairs and Naval Affairs were established in 1822. In 1885, jurisdiction over military and naval appropriations was taken from the Committee on Appropriations and given to the Committees on Military Affairs and Naval Affairs, respectively. This policy continued until July 1, 1920, when jurisdiction over all appropriations was again placed in the Committee on Appropriations.

In the 93d Congress, following a study by the House Select Committee on Committees, the House passed H. Res. 988, the Committee Reform Amendments of 1974, to be effective January 3, 1975. As a result of those amendments, the jurisdictional areas of the Committee on Armed Services remained essentially unchanged. However, oversight functions were amended to require each standing committee to review and study on a continuing basis all matters within the jurisdiction of the committee. Also, the Committee on Armed Services was to review and study on a continuing basis all laws, programs, and government activities dealing with or involving international arms control and disarmament and the education of military dependents in schools.

The rules changes adopted by the House (H. Res. 5) on January 4, 1977, placed new responsibilities in the atomic energy field in the Armed Services Committee. Those responsibilities involved the national security aspects of atomic energy theretofore under the jurisdiction of the Joint Committee on Atomic Energy. Public Law 95-110, effective September 20, 1977, abolished the Joint Committee on Atomic Energy.

With the adoption of H. Res. 658 on July 14, 1977, which established the House Permanent Select Committee on Intelligence, the jurisdiction of the Armed Services Committee over intelligence matters was diminished.

That resolution gave the Permanent Select Committee on Intelligence oversight responsibilities for intelligence and intelligence-related activities and programs of the U.S. Government. Specifically, the Permanent Select Committee on Intelligence has exclusive legislative jurisdiction regarding the Central Intelligence Agency and the Director of Central Intelligence, including authorizations. Also, legislative jurisdiction over all intelligence and intelligence-related activities and programs was vested in the select committee except that other committees with a jurisdictional interest may request

consideration of any such matters. Accordingly, as a matter of practice, the Armed Services Committee shares jurisdiction over the authorization process involving intelligence-related activites.

The committee continues to have shared cognizance over general intelligence activities not within the exclusive jurisdiction of the Permanent Select Committee on Intelligence and continues to have access to intelligence information.

Constitutional Powers and Duties

The powers and duties of Congress in relation to national defense matters stem from Article I, section 8, of the Constitution, which provides, among other things, that the Congress shall have power to—

Raise and support armies;

Provide and maintain a navy;

Make rules for the government and regulation of the land and naval forces;

Provide for calling forth the militia;

Provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States;

Exercise exclusive legislation * * * over all places purchased * * * for the erection of forts, magazines, arsenals, dockyards, and other needful buildings; and

Make all laws which shall be necessary and proper for carrying into execution the foregoing powers.

House Rules on Jurisdiction

Rule X of the Rules of the House of Representatives established the standing committees of the House and their jurisdiction. Under that rule, all bills, resolutions, and other matters relating to the subjects within the jurisdiction of any standing committee shall be referred to such committee. Rule X.1.(c) established the jurisdiction of the Committee on Armed Services as follows:

(1) Common defense generally.

(2) The Department of Defense generally, including the Departments of the Army, Navy, and Air Force generally.

(3) Ammunition depots; forts; arsenals; Army, Navy, and Air Force reservations and establishments.

(4) Conservation, development, and use of naval petroleum and oil shale reserves.

(5) Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces.

(6) Scientific research and development in support of the armed services.

(7) Selective service.

(8) Size and composition of the Army, Navy, and Air Force.

(9) Soldiers' and sailors' homes.

(10) Strategic and critical materials necessary for the common defense.

(11) Military applications of nuclear energy.

In addition to its legislative jurisdiction and general oversight function, the committee has special oversight functions with re-

spect to international arms control and disarmament and military dependents' education.

Requirement for Annual Authorization

The role of the committee in defense policy-making was increased significantly in 1959 by the enactment of Public Law 86-149 (section 412(b)) which required annual congressional authorization of appropriations for the procurement of aircraft, missiles, and naval vessels. This law has been amended and expanded as follows:

In 1962 (Public Law 87-436) to require similar authorization for research, development, test, and evaluation associated with aircraft, missiles, and naval vessels.

In 1963 (Public Law 88-175) to require authorization of appropriations for all research, development, test, and evaluation carried out by the Department of Defense.

In 1965 (Public Law 89-37) to require authorization of appropriations for procurement of tracked combat vehicles.

In 1967 (Public Law 90-168) to require annual authorization of the personnel strengths of each of the Selected Reserves of the Reserve components as a prior condition for the appropriation of funds for the pay and allowances for the Reserve components.

In 1969 (Public Law 91-121) to require authorization of appropriations for procurement of other weapons for the use of any armed force of the United States (essentially heavy, medium, and light artillery; anticraft weapons, rifles, machineguns; mortars; small arms weapons, and any crew-fired piece using fixed ammunition).

In 1970 (Public Law 91-441) to require authorization of appropriations for procurement of torpedoes and related support equipment; and to require authorization by Congress of average annual active-duty personnel strength for each component of the Armed Forces (subsequently amended by Public Law 92-436 to substitute an annual "end strength for active-duty personnel" requirement in lieu of an "average annual active-duty personnel strength").

In 1972 (Public Law 92-436) to require authorization of the average military training student loads for each component of the Armed Forces. Such authorization is not required for unit recruit training student loads but is required for student loads for the following individual training categories: recruit and specialized training, flight training, professional training in military and civilian institutions and officer acquisition training.

In 1973 (Public Law 93-155) to require authorization for the end strength for civilian employees for each component of the Department of Defense for each year, commencing with the fiscal year which began on July 1, 1974. Section 803 of Public Law 93-155 also provided for the codification of the above requirements for annual authorization of appropriations for the Armed Forces as sections 138 and 139 of chapter 4, title 10, United States Code. Thus permanent law requires that author-

ization must precede appropriations for, or obligations or expenditures of funds for, the Armed Forces.

In 1975 (Public Law 94-106) to require authorization of military construction. Although most Department of Defense construction programs had already been subject to annual authorizations, this amendment to the basic statute brought them even more specifically under authorization.

In 1976 (Public Law 94-361) to require authorization of appropriations for civil defense programs.

In 1980 (Public Law 96-342) to require annual authorization of appropriations for operation and maintenance in the Department of Defense.

In 1981 (Public Law 97-86) to require annual authorization of appropriations for ammunition and for other procurement.

The jurisdiction of the committee was also increased through the redistribution of the jurisdiction formerly exercised by the Joint Committee on Atomic Energy with respect to the national security functions of the Department of Energy.

In 1974 Public Law 93-438 subjected appropriations for the Energy Research and Development Administration to annual authorization.

In 1977 Public Law 95-91 created the Department of Energy, abolished the Energy Research and Development Administration and transferred its functions to the Department of Energy, and subjected appropriations to carry out the provisions of the law to annual authorization.

In 1977 Public Law 95-110 abolished the Joint Committee on Atomic Energy.

Investigative Authority and Legislative Oversight

H. Res. 988, 93rd Congress, the Committee Reform Amendments of 1974, amended rule XI, clause 1(b), of the Rules of the House of Representatives, to provide general authority for each committee to investigate matters within its jurisdiction. That amendment established a permanent investigative authority and relieves the committee of the former requirement of obtaining a renewal of the investigative authority by a House resolution at the beginning of each Congress. H. Res. 988 also amended rule X of the Rules of the House of Representatives by requiring, as previously indicated, that the standing committees are to conduct legislative oversight in the area of their respective jurisdiction, and by establishing specific oversight functions for the Committee on Armed Services.

H. Res. 7, approved by the House on January 3, 1985, and H. Res. 100, approved by the House on March 26, 1985, provided funds for oversight responsibilities to be conducted in the 99th Congress pursuant to rule X, clause 2(b)(1), of the Rules of the House of Representatives (relating to general oversight responsibilities), clause 3(a) (relating to special oversight functions), and rule XI, clause 1(b) (relating to investigations and studies).

COMMITTEE RULES

The committee held its organizational meeting on January 31, 1985, and adopted the following rules governing procedure and rules for investigative hearings conducted by subcommittees.

RULES GOVERNING PROCEDURE

RULE 1. GENERAL

The rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committees and subcommittees.

RULE 2. FULL COMMITTEE MEETING DATE

(a) The Committee on Armed Services will meet every Tuesday at 10 a.m., and at such other times as may be fixed by the chairman, or by written request of members of the committee pursuant to House rule XI, clause 2(b).

(b) A Tuesday meeting of the committee may be dispensed with by the chairman, but such action may be reversed by a written request of a majority of the members.

RULE 3. SUBCOMMITTEE MEETING DATES

Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the committee on all matters referred to it. Insofar as possible, meetings of the committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

The Committee on Armed Services of the House of Representatives shall be organized to consist of the following standing subcommittees.

The Military Personnel and Compensation Subcommittee which shall have legislative jurisdiction over authorized strengths; active-duty and reserve training; recruiting; Reserve Officers' Training Corps; Selective Service; military justice; enlistments and separations; awards; academies; human relations; medical care; pay and allowances; promotion; retirement; and related legislative oversight.

The Research and Development Subcommittee which shall have legislative jurisidiction over annual authorization for research and development; airlift; and related oversight.

The Seapower and Strategic and Critical Materials Subcommittee which shall have legislative jurisdiction over procurement and construction of naval vessels; torpedoes and other weapons portion of Navy weapons; ship-related items in Navy other procurement; sealift; antisubmarine warfare; disposal of naval vessels; strategic

and critical materials necessary for the national defense; and related legislative oversight.

The Procurement and Military Nuclear Systems Subcommittee which shall have legislative jurisdiction over the annual authorization for procurement of aircraft, missiles, weapons and tracked combat vehicles, ammunition and those portions of the procurement category, other procurement, not assigned to the Seapower and Strategic and Critical Materials Subcommittee; military application of nuclear energy, including research and development related thereto; intelligence matters related to national security; and related legislative oversight. The subcommittee shall also have oversight responsibilities with regard to international arms control and disarmament.

The Investigations Subcommittee which shall have legislative jurisdiction over Defense Acquisition Regulations and related procurement matters; organization of the Department of Defense, including proposed reorganizations; naval petroleum reserves; and related legislative oversight; and investigative authority in relation to the committee's general oversight responsibilities.

The Readiness Subcommittee which shall have legislative jurisdiction over the annual authorization for operation and maintenance; the current readiness and preparedness requirements of the defense establishment, including the supporting defense industrial base; commissaries and exchanges, clubs and related nonappropriated funds activities of the Armed Forces; and related legislative oversight.

The Military Installations and Facilities Subcommittee which shall have legislative jurisdiction over military construction; real estate acquisitions and disposals; housing and support facilities; base closures; real estate generally; civil defense; and related legislative oversight.

RULE 5. PRECEDENCE

Chairmen of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

RULE 6. PANELS OF THE FULL COMMITTEE AND SUBCOMMITTEES

(a) The chairman may designate a panel of the committee drawn from members of more than one subcommittee to inquire into and take testimony on a matter or matters that fall within the jurisdiction of more than one subcommittee and to report to the full committee. Any such panel shall not continue in existence for more than six months.

(b) The chairman of a standing subcommittee may designate a panel of such subcommittee to inquire into and take testimony on a specific matter within the jurisdiction of that subcommittee and to report to the subcommittee for further reference to the full committee as may be appropriate.

(c) No panels so appointed shall have legislative jurisdiction.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORTS

(a) The chairman shall refer legislation and other matters to all subcommittees of appropriate jurisdiction within two weeks unless, by a majority vote of the members of the full committee, consideration is to be by the full committee.

(b) Bills shall be taken up for hearing only when called by the chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee.

(c) The chairman of the full committee, with approval of a majority of the members voting, a majority of the committee being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(d) Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a majority vote of a quorum of the committee.

RULE 8. PUBLIC ANNOUNCEMENT OF HEARINGS AND MEETINGS

The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least one week before the commencement of the hearing. However, if the full committee or subcommittee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this rule shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems.

RULE 9. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a majority being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee and/or subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to be public. This paragraph does not apply to open committee hearings which are provided for by paragraph (b) of this rule, or any meeting that relates solely to internal budget or personnel matters.

(b) Each hearing conducted by the full committee or subcommittee shall be open to the public except when the full committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would en-

danger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance no less than two members of the committee or subcommittee, may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, or would tend to defame, degrade, or incriminate any person. If the decision is to close for national security reasons, the vote must be by rollcall vote and in open session, there being a majority of the committee or subcommittee present. Otherwise, if the decision is to close because the testimony may tend to defame, degrade, or incriminate any person, the vote may be by a majority of those present, there being in attendance no less than two members of the committee or subcommittee. However, if the committee or subcommittee elects to receive such testimony in open session, it may do so only if a majority of the members of the committee or subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. No Member may be excluded from nonparticipatory attendance at any hearing of the full committee or subcommittee, unless the House of Representatives shall by majority vote authorize the full committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this rule for closing hearings to the public: *Provided, however,* That the full committee or the subcommittee may by the same procedure vote to close up to five additional consecutive days of hearings.

(c) Notwithstanding the foregoing, and with the approval of the committee chairman, each member of the committee may designate by letter to the chairman, a member of his or her personal staff with Top Secret security clearance to attend hearings of the committee, or that member's subcommittee(s) which have been closed under the provisions of rule 9(b) above for national security purposes for the taking of testimony: *Provided,* That such staff member's attendance at such hearings is subject to the approval of the committee or subcommittee as dictated by national security requirements at the time; *Provided further,* That this paragraph addresses hearings only and not briefings or meetings held under the provisions of paragraph (a) of this rule; and *Provided further,* That the attainment of any security clearances involved are the responsibility of individual members.

RULE 10. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

(a) In accordance with the provision of rule XI, clause 3, Rules of the House of Representatives, it is the purpose of this rule to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee or subcommittee hearings or meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage. In that regard, the provisions of rule XI, clause 3(a)-(d) are specifically incorporated herein by reference.

(b) The chairman of the full committee or the chairmen of the subcommittees are authorized to determine on behalf of the full committee or its subcommittees respectively whether hearings or meetings which are open may be broadcast, unless the committee or its subcommittees respectively by majority vote determine otherwise: *Provided, however,* Each committee or subcommittee chairman shall determine, in his discretion, the number of television and still cameras permitted in a hearing or meeting room.

(c) In accordance with rule XI, clause 3(f), the following provisions shall apply to the broadcasting of committee or subcommittee hearings or meetings which are open to the public:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of rule XI of the Rules of House of Representatives, relating to the protection of the rights of witnesses.

(3) The allocation among the television media of the positions of the number of television cameras permitted by a committee or subcommittee chairman in a hearing room shall be in accordance with fair and equitable procedures devised by the executive committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or its subcommittees or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee or subcommittee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) In the allocation of the number of still photographers permitted by a committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by a committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be

made on the basis of a fair and equitable pool arrangement devised by the Standing Committee on Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee or its subcommittees.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstructive manner.

(14) With the exception of devices properly used by official reporters and by accredited media and broadcast personnel as covered in these rules, no recording or camera type devices may be operated or otherwise used during committee or subcommittee hearings.

RULE 11. QUORUM

A majority of the full committee or subcommittee shall constitute a quorum for reporting or tabling a measure or recommendation. A quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two. A quorum for taking any other action shall be not less than one-third of the members of the full committee or subcommittee, unless otherwise indicated in the committee rules.

RULE 12. THE FIVE-MINUTE RULE

(a) The time any one member may address the committee or subcommittee on any bill, motion or other matter under consideration shall not exceed five minutes and then only when the member has been recognized by the chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed five minutes to address the committee or subcommittee on behalf of an amendment which the member has offered to any pending bill or resolution.

(b) Members present at a meeting of the committee or subcommittee when a meeting is originally convened will be recognized by the chairman in order of seniority. Those members arriving subsequently will be recognized in order of their arrival. Notwithstanding the foregoing, the chairman and the ranking minority member will take precedence upon their arrival. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE 13. SUBPOENA AUTHORITY

The full committee, and all subcommittees, may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpoena may be authorized and issued by the committee, or subcommittee, in the conduct of any investigation or a series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas under this rule may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or any member designated by he committee.

RULE 14. WITNESS STATEMENTS

(a) Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee rooms to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the committee offices. The requirement of this rule may be waived upon a majority of the full committee or any subcommittee, a quorum being present.

(b) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

RULE 15. ADMINISTERING OATHS TO WITNESSES

The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

RULE 16. QUESTIONING OF WITNESSES

(a) When a witness is before the committee or subcommittee, members of the committee or subcommittee may put questions to the witness only when they have been recognized by the chairman for that purpose.

(b) Members of the committee or subcommittee who so desire shall have not to exceed five minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the chairman.

(c) Questions put to witnesses before the committee or subcommittee shall be pertinent to the bill or other subject matter that may be before the committee or subcommittee for consideration.

RULE 17. VOTING AND ROLLCALLS

(a) Except as otherwise provided in these rules, voting on a measure or matter may be by rollcall vote, division vote, voice vote, or unanimous consent.

(b) Voting on reporting annual authorization bills shall be by rollcall vote.

(c) A rollcall of the members may be had upon the request of five or more members present, or in the case of subcommittees, on the request of one-fifth of a majority.

RULE 18. PROXY VOTE

A member may vote by special proxy, which must be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in full committee or subcommittees. All proxies must be filed with the staff director and be available for inspection at any time.

RULE 19. PRIVATE BILLS

No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the Congress.

RULE 20. SUPPLEMENTAL, MINORITY, ADDITIONAL, OR DISSENTING VIEWS

If, at the time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, additional or dissenting views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the staff director of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

RULE 21. POINTS OF ORDER

No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of the committee rules; except that a point of order on that ground may be made by any member of the full committee

or subcommittee which reported the measure if, in the full committee or subcommittee, such point of order was (a) timely made and (b) improperly overruled or not properly considered.

RULE 22. PUBLIC INSPECTION OF COMMITTEE ROLLCALLS

(a) The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. With respect to each record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(b) In the event of such a rollcall vote or votes, when a member is in attendance at any other committee, subcommittee, or conference committee meeting during that time, that circumstance shall be so recorded in the rollcall record, upon timely notification to the chairman from that member.

RULE 23. PROTECTION OF NATIONAL SECURITY INFORMATION

(a) All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee shall be deemed to have been received in executive session and shall be given appropriate safekeeping.

(b) The chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other Member of the House of Representatives who has requested the opportunity to review such material.

RULE 24. COMMITTEE STAFFING

The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of rule XI, clause 5(d).

RULES FOR INVESTIGATIVE HEARINGS CONDUCTED BY SUBCOMMITTEES

I. POWER TO SIT AND ACT; SUBPOENA POWER

1. For the purpose of carrying out any of its functions and duties under House rules X and XI, a subcommittee is authorized (subject to subparagraph 2.A. of this paragraph):

A. to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold hearings, and

B. to require by subpoena, or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers and documents as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

2. A. A subpoena may be authorized and issued by a subcommittee under subparagraph 1.B. in the conduct of any investigation, or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. Authorized subpoenas shall be signed only by the chairman of the committee, or by any member designated by the committee.

B. Compliance with any subpoena issued by a subcommittee under subparagraph 1.B. may be enforced only as authorized or directed by the House. (House rule XI, clause 2(m); committee rule 13.)

II. QUORUM

Each subcommittee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence, which shall be not less than two. (House rule XI, clause 2(h); committee rule 11.)

III. NOTICE OF HEARINGS

Each subcommittee shall make public announcement of the date, place, and subject matter of any subcommittee hearing at least one week before the commencement of the hearing. However, if the subcommittee determines there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this rule shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems. (House rule XI, clause 2(g)(3); committee rule 8.)

IV. MEETINGS AND HEARINGS

1. Each subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the subcommittee, in open session and with a majority being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open subcommittee hearings which are provided for by paragraph 2. of this rule, or any meeting that relates solely to internal budget or personnel matters. (House rule XI, clause 2(g)(1); committee rule 9(a).)

2. Each hearing conducted by a subcommittee shall be open to the public except when the subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance no less than two members of the subcommittee, may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, or would tend to defame, degrade, or incriminate any person. If the decision is to close for national security reasons, the vote must be by rollcall vote and in open session, there being a majority of the subcommittee present. Otherwise, if the decision is to close because the testimony may tend to defame, degrade, or incriminate any person, the vote may be a majority of those present, there being in attendance no less than two members of the subcommittee. However, if the subcommittee elects to receive such testimony in open session, it may do so only if a majority of the members of the subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. No Member may be excluded from nonparticipatory attendance at any hearing of any subcommittee, unless the House of Representatives shall by majority vote authorize a particular subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subparagraph for closing hearings to the public: *Provided, however,* That the subcommittee may by the same procedure vote to close up to five additional consecutive days of hearings. (House rule XI, clause 2(g)(2); committee rule 9(b).)

V. PREPARED STATEMENTS

Each witness who is to appear before a subcommittee shall, insofar as is practicable, file with the subcommittee (in advance of his or her appearance) a written statement of the proposed testimony. Such witness will limit his or her oral presentation to a brief summary of the statement.

Any prepared statement shall be submitted to the subcommittee at least 48 hours in advance of presentation and shall be distributed to all members of the subcommittee at least 24 hours in advance of delivery.

If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee rooms to all members of the subcommittee at least 24 hours in advance of delivery; however, no such statement shall be removed from the committee rooms. The requirement of this rule may be waived upon a majority vote of the subcommittee, a quorum being present. (House rule XI, clause 2(g)(4); committee rule 14.)

VI. OPENING STATEMENT

The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation. (House rule XI, clause 2(k)(1).)

VII. INFORMATION FOR WITNESSES

A copy of the committee rules and of clause 2(k) of House rule XI shall be make available to each witness.[1] (House rule XI, clause 2(k)(2).)

VIII. RIGHT TO COUNSEL

Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. (House rule XI, clause 2(k)(3).)

IX. FORM OF OATH

Witnesses, when sworn, shall subscribe to the following oath:

> You do solemnly swear (or affirm) that the testimony you will give before this subcommittee in the matters now under consideration will be the truth, the whole truth, and nothing but the truth, so help you God?

X. BREACHES OF ORDER

The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt. (House rule XI, clause 2(k)(4).)

XI. DEFAMATORY TESTIMONY OR EVIDENCE

Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person,

(a) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of committee rule 9(b), if by a majority of those present, there being in attendance no less than two members of the subcommittee, the subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(b) the subcommittee shall proceed to receive such testimony in open session only if a majority of the members of the subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

In either case the subcommittee shall afford such person an opportunity voluntarily to appear as a witness; and receive and dispose of requests from such person to subpoena additional witnesses. (House rule XI, clause 2(k)(5).)

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[1] The complete text of clause 2(k), House Rule XI, is printed herein in subcommittee rules VI, VII, VIII, X, XI, XIII, XIV, and XV.

XII. PHOTOGRAPHING OF WITNESSES

No witness served with a subpoena by the committee or a subcommitee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. (House rule XI, clause 2(f)(2); committee rule 10.)

XIII. SUBPOENA OF ADDITIONAL WITNESSES

Except as provided in investigative hearing rule XI above, the chairman shall receive and the subcommittee shall dispose of requests to subpoena additional witnesses. (House rule XI, clause 2(k)(6).)

XIV. TESTIMONY TAKEN IN EXECUTIVE SESSION

No evidence or testimony taken in executive session may be released or used in public session without the consent of the subcommittee. (House rule XI, clause 2(k)(7).)

XV. SWORN STATEMENT

In the discretion of the subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearings. (House rule XI, clause 2(k)(8).)

XVI. TRANSCRIPT OF TESTIMONY

A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the subcommittee. (House rule XI, clause 2(k)(9).)

XVII. GENERAL

The rules of the House are the rules of its committees and subcommittees as far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. (House rule XI, clause 1(a)(1).)

(Committee Print 1; H.A.S.C. 99-1)

COMPOSITION OF THE COMMITTEE ON ARMED SERVICES, 99TH CONGRESS

Pursuant to H.Res. 27, adopted January 7, 1985; H.Res. 34 and H.Res. 35, adopted January 30, 1985; and H.Res. 162, adopted May 8, 1985, the following Members were elected to the Committee on Armed Services in the 1st Session of the 99th Congress:

LES ASPIN, Wisconsin, *Chairman*

MELVIN PRICE, Illinois, *Chairman Emeritus*
CHARLES E. BENNETT, Florida
SAMUEL S. STRATTON, New York
BILL NICHOLS, Alabama
DAN DANIEL, Virginia
G.V. (SONNY) MONTGOMERY, Mississippi
RONALD V. DELLUMS, California
PATRICIA SCHROEDER, Colorado
BEVERLY B. BYRON, Maryland
NICHOLAS MAVROULES, Massachusetts
EARL HUTTO, Florida
IKE SKELTON, Missouri
MARVIN LEATH, Texas
DAVE McCURDY, Oklahoma
THOMAS M. FOGLIETTA, Pennsylvania
ROY DYSON, Maryland
DENNIS M. HERTEL, Michigan
MARILYN LLOYD, Tennessee
NORMAN SISISKY, Virginia
RICHARD RAY, Georgia
JOHN M. SPRATT, JR., South Carolina
FRANK McCLOSKEY, Indiana [2]
SOLOMON P. ORTIZ, Texas
GEORGE (BUDDY) DARDEN, Georgia
TOMMY F. ROBINSON, Arkansas
ALBERT G. BUSTAMANTE, Texas
WILLIAM L. DICKINSON, Alabama
G. WILLIAM WHITEHURST, Virginia
FLOYD SPENCE, South Carolina
MARJORIE S. HOLT, Maryland
ELWOOD H. (BUD) HILLIS, Indiana
ROBERT E. BADHAM, California
BOB STUMP, Arizona
JIM COURTER, New Jersey
LARRY J. HOPKINS, Kentucky
ROBERT W. DAVIS, Michigan
KEN KRAMER, Colorado
DUNCAN L. HUNTER, California
THOMAS F. HARTNETT, South Carolina
DAVID O'B. MARTIN, New York
JOHN R. KASICH, Ohio
WILLIAM CARNEY, New York
LYNN MARTIN, Illinois
HERBERT H. BATEMAN, Virginia
MAC SWEENEY, Texas
BEN BLAZ, Guam

[2] Seating delayed by recount; elected to committee May 8, 1985.

SUBCOMMITTEES OF THE COMMITTEE ON ARMED SERVICES, 99TH CONGRESS

The following standing subcommittees were established at the committee's organizational meeting on January 31, 1985:

MILITARY PERSONNEL AND COMPENSATION

Mr. ASPIN, *Chairman*

Mr. MONTGOMERY
Mrs. SCHROEDER
Mr. SKELTON
Mr. SISISKY
Mr. ROBINSON
Mr. BUSTAMANTE
Mr. BENNETT

Mr. HILLIS
Mrs. HOLT
Mr. BATEMAN
Mr. SWEENEY
Mr. HUNTER

RESEARCH AND DEVELOPMENT

Mr. PRICE, *Chairman*

Mr. McCURDY
Mr. HERTEL
Mr. McCLOSKEY [2]
Mr. DARDEN
Mr. BENNETT
Mr. NICHOLS
Mr. DELLUMS

Mr. DICKINSON
Mr. COURTER
Mr. BADHAM
Mr. DAVIS
Mr. STUMP

SEAPOWER AND STRATEGIC AND CRITICAL MATERIALS

Mr. BENNETT, *Chairman*

Mr. FOGLIETTA
Mr. DYSON
Mrs. LLOYD
Mr. SISISKY
Mr. ORTIZ
Mr. BUSTAMANTE
Mr. PRICE

Mr. SPENCE
Mr. HARTNETT
Mr. HUNTER
Mr. CARNEY
Mr. BATEMAN
Mr. BLAZ

[2] Seating delayed by recount, elected to committee May 8, 1985.

PROCUREMENT AND MILITARY NUCLEAR SYSTEMS

Mr. STRATTON, *Chairman*

Mrs. BYRON
Mr. MAVROULES
Mr. SKELTON
Mr. LEATH
Mr. DYSON
Mrs. LLOYD
Mr. RAY
Mr. SPRATT
Mr. BUSTAMANTE

Mrs. HOLT
Mr. BADHAM
Mr. COURTER
Mr. KRAMER
Mr. DAVIS
Mr. HOPKINS
Mr. HUNTER

INVESTIGATIONS

Mr. NICHOLS, *Chairman*

Mrs. BYRON
Mr. MAVROULES
Mr. McCURDY
Mr. SPRATT
Mr. McCLOSKEY [1]
Mr. ASPIN
Mr. STRATTON

Mr. HOPKINS
Mr. STUMP
Mr. KASICH
Mrs. MARTIN
Mr. CARNEY

READINESS

Mr. DANIEL, *Chairman*

Mr. HUTTO
Mr. LEATH
Mr. FOGLIETTA
Mr. HERTEL
Mr. RAY
Mr. DARDEN
Mr. NICHOLS

Mr. WHITEHURST
Mr. SPENCE
Mr. KASICH
Mr. MARTIN
Mr. SWEENEY

MILITARY INSTALLATIONS AND FACILITIES

Mr. DELLUMS, *Chairman*

Mr. MONTGOMERY
Mr. HUTTO
Mr. LEATH
Mr. HERTEL
Mr. SISISKY
Mr. RAY
Mr. ORTIZ
Mr. ROBINSON

Mr. KRAMER
Mr. WHITEHURST
Mr. DICKINSON
Mr. HARTNETT
Mr. MARTIN
Mrs. MARTIN
Mr. BLAZ

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[1] Seating delayed by recount, elected to committee May 8, 1985.

Subcommittee Panels

The following subcommittee panels were appointed during the 1st Session of the 99th Congress:

MORALE, WELFARE AND RECREATION PANEL OF READINESS SUBCOMMITTEE

(Appointed February 27, 1985)

Mr. DANIEL, *Chairman*

Mr. NICHOLS
Mr. LEATH [3]
Mr. WHITEHURST
Mr. MARTIN [3]

ARMS CONTROL AND DISARMAMENT PANEL OF PROCUREMENT AND MILITARY NUCLEAR SYSTEMS SUBCOMMITTEE

(Appointed March 26, 1985)

Mrs. BYRON, *Chairman*

Mr. MAVROULES
Mr. RAY
Mr. SPRATT
Mr. STRATTON
Mrs. HOLT
Mr. BADHAM
Mr. COURTER

SPECIAL OPERATIONS PANEL OF READINESS SUBCOMMITTEE

(Appointed July 30, 1985)

Mr. HUTTO, *Chairman*

Mr. FOGLIETTA
Mr. HERTEL [4]
Mr. RAY
Mr. DARDEN
Mr. SPENCE
Mr. KASICH [4]
Mr. MARTIN
Mr. SWEENEY

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[3] Appointed to panel May 21, 1985.
[4] Appointed to panel July 31, 1985.

FULL COMMITTEE PANELS

The following full committee panels were appointed during the 1st Session of the 99th Congress:

DEFENSE POLICY PANEL

(Appointed February 22, 1985; reappointed September 27, 1985)

Mr. ASPIN, *Chairman*

Mr. NICHOLS
Mr. MAVROULES
Mr. SKELTON
Mr. McCURDY
Mr. RAY
Mr. SPRATT
Mr. McCLOSKEY [1]
Mr. DICKINSON
Mr. HILLIS
Mr. COURTER
Mr. HUNTER
Mr. SWEENEY

GRACE COMMISSION PANEL

(Appointed March 11, 1985; reappointed September 25, 1985)

Mrs. SCHROEDER, *Chairwoman*

Mr. LEATH
Mr. FOGLIETTA
Mr. HERTEL
Mr. SISISKY
Mr. BUSTAMANTE
Mr. DAVIS
Mr. KASICH
Mrs. MARTIN
Mr. BATEMAN

ENVIRONMENTAL RESTORATION PANEL

(Appointed July 24, 1985)

Mr. McCURDY, *Chairman*

Mr. HERTEL
Mr. SISISKY
Mr. RAY
Mr. DARDEN
Mr. HOPKINS
Mr. KRAMER
Mr. MARTIN

[1] Seating delayed by recount; elected to committee May 8, 1985.

COMMITTEE STAFF

By committee resolution adopted at the organizational meeting on January 31, 1985, or authority of the chairman, the following persons were appointed to the staff of the committee during the 1st Session, 99th Congress:

PROFESSIONAL STAFF

G. KIM WINCUP, *Staff Director*
WILLIAM H. HOGAN, Jr., *General Counsel*
JOHN F. LALLY, *Counsel*
ANTHONY R. BATTISTA, *Professional Staff Member*
MICHAEL A. WEST, *Professional Staff Member*
WILLIAM D. PRICE, *Professional Staff Member*
PAUL L. TSOMPANAS, *Professional Staff Member*
ADAM J. KLEIN, *Professional Staff Member*
PETER C. SCRIVNER *Professional Staff Member*
EDWARD J. BAUSER, *Professional Staff Member*
ROBERT M. EMMERICHS, *Professional Staff Member*
NANCY JONES, *Executive Assistant*
WILLISTON B. COFER, Jr., *Professional Staff Member*
ALMA B. MOORE, *Professional Staff Member*
JAMES C. WATERS, *Professional Staff Member*
RICHARD T. LUNGER, Jr., *Professional Staff Member*
KAREN S. HEATH, *Professional Staff Member*
ALAN C. CHASE, *Professional Staff Member* (resigned December 1, 1985)
ROBERT E. SCHAFER, *Professional Staff Member*
ARCHIE D. BARRETT, *Professional Staff Member*
EDWARD J. HOLTON, *Professional Staff Member*
CARL T. BAYER, *Professional Staff Member*
WARREN L. NELSON, *Professional Staff Member*
MARILYN A. ELROD, *Subcommittee Professional Staff Member*
DEBORAH ROCHE LEE, *Professional Staff Member*
COLLEEN A. PRESTON, *Counsel*
WILLIAM T. FLESHMAN, Jr., *Professional Staff Member*
PETER M. STEFFES, *Professional Staff Member*
JOHN V. SULLIVAN, *Counsel*
LAWRENCE J. CAVAIOLA, *Professional Staff Member*
DOUGLAS H. NECESSARY, *Professional Staff Member*
JOHN E. MANSFIELD, *Professional Staff Member*
NORA SLATKIN, *Professional Staff Member*
RITA D. ARGENTA, *Financial Assistant*
ROBERT J. EASTMAN, Jr., *Professional Staff Member*
RICHARD E. CLARK, *Counsel*, (appointed February 1, 1985)
JOSEPH CIRINCIONE, *Subcommittee Professional Staff Member*, (appointed February 26, 1985)
LOU C. FINCH, *Professional Staff Member* (appointed April 1, 1985)
RUSSELL MURRAY 2nd, *Special Counselor* (appointed April 8, 1985)
JAY B. WINIK, *Professional Staff Member* (appointed September 18, 1985)
RUDY F. DE LEON, *Professional Staff Member* (appointed December 6, 1985)
STEPHEN K. CONVER, *Professional Staff Member* (appointed December 8, 1985)

Clerical Staff

ANN R. WILLETT, *Senior Staff Assistant*
JOYCE C. BOVA, *Staff Assistant*
GEORGIA C. OSTERMAN, *Senior Staff Assistant*
BRENDA J. JONES, *Staff Assistant*
KATHLEEN A. LIPOVAC, *Staff Assistant*
SHARON A. KNOTT, *Calendar Clerk*
ANDREA M. DOTY, *Staff Assistant*
L. RUTH LUDEMAN, *Staff Assistant*
DIANE CRAUN, *Staff Assistant*
PAMELA GLEASON, *Staff Assistant*
VERA L. OSWALD, *Staff Assistant* (resigned June 11, 1985)
BETTY B. GRAY, *Staff Assistant*
ELIZABETH A. SPINA, *Staff Assistant* (resigned July 31, 1985)
MARGARET M. COSSEBOOM, *Staff Assistant*
L. DENISE HOLLIDGE, *Staff Assistant*
LISA A. DUDLEY, *Staff Assistant*
SARAH L. WALTERS, *Receptionist*
DEBORAH J. MERRILL, *Secretary* (appointed February 27, 1985)
JANIE M. MAYHEW, *Secretary* (appointed April 22, 1985)
SANDRA L. CARIFFE, *Secretary* (appointed June 14, 1985)
LEAH M. CHAPLA, *Secretary* (appointed October 7, 1985)
DEBORAH A. KLOPFER, *Secretary* (appointed December 9, 1985)
ISSIAH HARDY, *Clerical Staff Assistant*
FRANK A. BARNES, *Clerical Staff Assistant*

COMMITTEE MEETINGS

A total of 237 meetings and briefings were held by the Committee on Armed Services, its subcommittees and panels during the 1st Session of the 99th Congress. A breakdown of the meetings and briefings follows:

Full committee	25
Defense Policy Panel	14
Environmental Restoration Panel	2
Grace Commission Panel	3
Subcommittees and subcommittee panels:	
Investigations Subcommittee	23
Military Installations and Facilities Subcommittee	29
Military Personnel and Compensation Subcommittee	5
Procurement and Military Nuclear Systems Subcommittee	32
Arms Control and Disarmament Panel	14
Readiness Subcommittee	19
Morale, Welfare and Recreation Panel	5
Special Operations Panel	10
Research and Development Subcommittee	31
Seapower and Strategic and Critical Materials Subcommittee	25

LEGISLATIVE ACTIONS

Legislation Enacted Into Law

PUBLIC LAW 99-17 (S.J. RES. 71)

To approve the obligation of fiscal year 1985 funds for operational MX missiles subject to enactment of a second joint resolution.

Public Law 99-17 approves the obligation of funds made available for fiscal year 1985 by Public Law 98-473 (Continuing Appropriations, 1985) for the procurement of 21 operational MX missiles, subject to the enactment of a second joint resolution, in accordance with the procedure set forth in Public Law 98-525 (Department of Defense Authorization, 1985). Specifically, the law makes available for obligation $1.5 billion (previously approved for fiscal year 1985 subject to the subsequent adoption of two joint resolutions). This amount permits the procurement of 21 additional operational missiles.

The committee reported H.J. Res. 180 on March 20, 1985, and its Senate companion, S.J. Res. 71, was considered by the House on March 25 and 26, 1985. S.J. Res. 71 was approved by the Senate on March 19 and approved by the House on March 26, 1985.

(H. Rept. 99-23) Date of enactment: April 4, 1985.

PUBLIC LAW 99-85 (S.J. RES. 108)

To Authorize the Secretary of Defense to provide to the Soviet Union on a reimbursable basis, equipment and services necessary for an improved United States/Soviet direct communications link for crisis control.

Public Law 99-85 authorizes the Secretary of Defense to provide the Soviet Union, in accordance with a U.S.-Soviet exchange of notes, such equipment and services as may be necessary to upgrade or maintain the Soviet Union's part of the direct communications link agreed to in the June 20, 1963 memorandum of understanding between the United States and the Soviet Union. The equipment and services provided to the Soviet Union by the United States are to be reimbursed by the Soviet Union.

(H. Rept. 99-156; S. Rept. 99-49) Date of enactment: August 8, 1985.

PUBLIC LAW 99-145 (S. 1160)

To authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes.

Title I authorizes $99,147,400,000 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, other weapons, ammunition, and other procurement for the Armed Forces and Defense agencies.

Sections 101(b), 102(a)(2), 102(b)(1)(B), 102(c)(1)(B), 102(c)(4)(A), 102(c)(5)(A), 102(d)(1)(B), 102(e)(2), 103(b), and 105(b) authorize the transfer of prior year unobligated balances and the merger of those funds with amounts appropriated for procurement in fiscal year 1986.

Section 101(c) authorizes procurement under a multiyear contract for the following items: T-700 engines, M1A1 chassis, AGT 1500 engines, laser range finder and thermal integrated sight fire control components for the M1 tank, M1 tank ballistic computer components, and Bradley Fighting Vehicle transmission. Section 101(c) denies multiyear procurement contracting for the M9 ACE, and denies multiyear contracting authority for any of the approved items if the cost of the multiyear contract exceeds 90 percent of the cost of the annual contract.

Section 101(d) removes the limitation contained in the fiscal year 1985 Defense Authorization Act (Public Law 98-525) on selection of contractors for the 120 mm mortar.

Section 101(e) authorizes the Secretary of the Army to enter into contracts with funds appropriated for the Multiple Launch Rocket System in fiscal year 1985 to purchase economic order quantities of materials for use with end items proposed for procurement in fiscal year 1989.

Section 102(f) authorizes procurement of the LHD-1 class ship program and the MK-46 torpedo program under multiyear procurement contracts and denies multiyear procurement of the P3C Orion aircraft.

Section 102(g) requires that requests for ship contract design appropriations be reflected in the Shipbuilding and Conversion account of the Navy after fiscal year 1986.

Section 106(1)(a) authorizes $75,000,000 for the North Atlantic Treaty Organization (NATO) cooperative air defense programs.

Section 106(2)(a) prohibits obligation of such funds (1) until the Secretary of Defense submits to the respective Committees on Armed Services copies of each government-to-government agreement relating to these programs or (2) when U.S. financial obligations exceed the collective financial obligations of European countries in connection with such programs.

Section 106(b) extends through fiscal year 1986 certain provisions of Public Law 97-86 that provide certain waiver authority for carrying out Multilateral Memoranda of Understanding between NATO Ministers of Defense on the NATO E-3A Cooperative Programs.

Section 107 provides that certain authorization reductions, taken from amounts requested in fiscal year 1986 and incorporated in the amounts authorized, may not be derived by cancellation, stretchout, or change of any authorized program. They may instead be derived only through cost reductions (including reductions due to a lower rate of inflation for fiscal year 1986) in title I programs without reductions in quantity or quality of goods.

Section 108 provides that transfers authorized in title I—with the exception of transfers of cost savings from the fiscal year 1986 shipbuilding program to the battleship reactivation program—may be made only to the extent provided in Appropriations Acts.

This section also provides that all amounts transferred under title I be derived from funds remaining available for obligation. Such funds may not be derived by cancellation, stretchout, or change of any program, and may be derived only through cost reductions (including lower rates of inflation than assumed when constructing the budget) that do not affect the quantity or quality of the goods received. Funds for transfers authorized in the act from the Sergeant York Air Defense Gun, 120-millimeter mortar ammunition, Single Channel Objective Tactical Terminal, and M9 Armored Combat Earthmover programs, as well as $25.3 million derived from the sale of M48A5 tanks and transfers for the A-6 rewing program, are not subject to these limitations.

Section 109 requires that prior to implementing the respective program changes or transfers, the Secretary of Defense must report the programs that are the sources of reductions under Section 107 and the programs that are the sources of funds transferred under title I.

Section 110(a) expresses a sense of Congress that the United States should place greater emphasis on improvement of its conventional forces, particularly in cooperation with its North Atlantic Treaty Organization allies, and that such improvement would reduce the threat of nuclear war.

Section 110(b) cites the increased authorization of appropriations for conventional readiness capabilities included in the fiscal year 1986 defense authorization act and calls for similar emphasis in future authorization legislation.

Section 121 prohibits the obligation of funds for option III or new contracts for production of the Sergeant York Air Defense gun until:

(1) the Secretary of Defense certifies that the results of operational testing demonstrate that the system meets the criteria of the tests and the Director of Test and Evaluation certifies that the operational capabilities of the system fulfill the performance specifications; and

(2) the Secretary of the Army negotiates a performance guarantee for contracts beyond fiscal year 1985.

Section 122 requires the Secretary of Defense to submit a report after each phase of the live-fire survivability tests for the Bradley Fighting Vehicle System.

Section 123 prohibits the Department of Defense from procuring any new major defense acquisition programs for wheeled or armored combat vehicles until these vehicles have undergone live-fire survivability testing.

Section 124 outlines restrictions regarding the foreign content of U.S. produced L119 howitzers sold to third countries during the period of coproduction by the United States and the United Kingdom.

Section 125 restricts expenditures for the procurement of 5-ton trucks until the Secretary certifies the adequacy of the testing of competing truck engines. This section also authorizes procurement of the 5-ton truck under a five-year multiyear procurement contract.

Section 126(a) limits to $200 million the obligation of the $235 million authorized for the Copperhead projectile until the Secretary of Defense submits a written plan to the Congress that establishes a second production source for the Copperhead projectile.

Section 126(b) authorizes the Department of the Army to procure safety modifications for the Pershing II missile from funds made available for the program in fiscal year 1986. This section also requires the Secretary of the Army to submit a plan on the purchase of such modifications to the respective Committees on Armed Services before obligating any funds for the modifications.

Section 126(c) prohibits the obligation of funds appropriated after fiscal year 1985 for the AH-64 Apache helicopter program until the contractor has implemented an effective accounting system and made available to the Defense Contract Audit Agency certain financial records.

Section 131 authorizes the Secretary of the Navy to carry out a program to replace the wings of the A6 aircraft. Funds authorized may be obligated only under a firm fixed-price contract that includes a warranty guaranteeing a wing fatigue life of at least 8,800 hours.

Section 132 provides that funds authorized for fiscal year 1986 for aircraft for the Navy may not be obligated for procurement of the A6E aircraft until the Secretary of the Navy certifies that the wing for the A6E aircraft to be procured is warranted for at least 4,000 hours; and may be obligated only for F14 aircraft configured with the F110 engine.

Section 141(a) authorizes $1,746,000,000 for the procurement of 12 MX missiles and related weapons system and support costs and

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$105 million for the procurement of initial spares in fiscal year 1986.

Section 141(b) limits to 50 the number of MX missiles that may be deployed at any one time in existing Minuteman silos. This section also restricts to 50 for the purpose of MX missile deployment, the number of Minuteman silos that may be modified, the acquisition of basing sets to modify existing Minuteman silos, and the procurement of long-lead items for such deployment.

Section 141(c) restricts procurement of additional MX missiles after fiscal year 1986 to only such missiles that support the MX operational test and reliability programs unless a new basing mode for the MX missile is specifically authorized by law. Twelve to 21 MX test missiles may be procured in fiscal year 1987.

Section 142 requires the Secretary of the Air Force to establish a fighter aircraft competition to meet the requirements of the active and reserve forces of the Air Force. Procurement of such aircraft must be carried out in accordance with all applicable provisions of law.

Section 143 requires the Secretary of Defense to submit a report to the Congress by February 1, 1986, on the total program cost of the advanced technology bomber (ATB). The report should include an evaluation of the reliability of the program cost estimates. Funds appropriated for fiscal year 1986 may not be obligated until the report is submitted to the Congress.

Section 144(a) provides $50 million from the funds authorized for Air Force aircraft modifications for modification of the HH-53 helicopter to the PAVE LOW mission configuration.

Section 144(b) prohibits obligation of such funds until the Secretary of the Air Force certifies that sufficient funds have been budgeted in the fiscal year 1987 five-year defense plan to meet prescribed Joint Chiefs of Staff readiness levels for the PAVE LOW HH-53 helicopter.

Section 151 prohibits obligation of authorized funds for procurement of C-12 aircraft unless such aircraft are procured through competitive procedures.

Section 152 prohibits the obligation of funds for the procurement of MC-130 aircraft or the modification of HH-53 or CH-47 helicopters until the Secretary of Defense submits to the respective Committees on Armed Services plans for meeting both the immediate and future airlift requirements of the Joint Special Operations Command and certifies that the necessary funds to accomplish the plans are included in the fiscal year 1987 five-year defense plan.

Title II authorized a total of $35,488,754,000 for research, development, test and evaluation.

Section 202 provides for reductions in authorizations due to savings from lower inflation and prior year cost savings.

Section 203 provides for the transfer of prior year funds to fiscal year 1986 authorizations of appropriations.

Section 204(a) provides that the amount authorized for the Army:

(1) $52,836,000 is available only for Missile/Rocket Components program;

(2) $23,583,000 is available only for the Stinger Missile program;

(3) $18,898,000 is available only for the M1 E1 Tank Development program;

(4) $20,000,000 is available only for the development, test integration and evaluation of Hellfire Missile for the Blackhawk helicopter; and

(5) $42,000,000 is available only for the Software Initiative (STARS) programs.

Section 205(a) provides that of the amount authorized for the Navy:

(1) $17,500,000 is available only for the Lost-Cost Anti-Radiation Seeker program;

(2) $4,464,000 is available only for the Advanced Mine Development program;

(3) $5,900,000 is available only for the Naval Oceanography program;

(4) $12,000,000 is available only for the Battlegroup Quick Reaction Surveillance System program;

(5) $4,000,000 is available only for unique Wallops Island Test Range activity;

(6) $10,000,000 is available only for the Skipper/Practice Bomb program;

(7) $1,500,000 is available only for a classified sensor development program; and

(8) $2,500,000 is available only to establish a second source for the competitive procurement of the Navy 5-inch and Army 155-millimeter Guided Projectile System.

Section 205(c) provides that of the $200,000,000 authorized for the SSN-21 Combat System program that none of such amount may be obligated or expended for the Submarine Advanced Combat System (SUBACS) program unless the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a written certification on certain contractual aspects of these programs.

Section 205(d) provides that none of the funds authorized for the Rolling Airframe Missile program may be obligated unless the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a written certification on certain contractual aspects of this program.

Section 205(e) provides that there will be a competitive procurement of three service test models of the LAMPS Mark I anti-submarine warfare shipboard or training system for the Naval Reserve.

Section 206 provides that of the amount authorized for the Air Forces;

(1) $60,000,000 is available only for research, development, test and evaluation for the Integrated Electronic Warfare System and the Integrated Communication, Navigation, Identification Avionics system;

(2) $22,000,000 is available only for the research, development, test and evaluation to modify the F-4 aircraft to satisfy Air Force air defense missions;

(3) $19,570,000 is available only for a classified reconnaissance system;

(4) $211,276,000 is available only for the Very High Speed Integrated Circuit program;

(5) $15,000,000 is available only for the Pave Tiger System; and

(6) $11,742,000 is available only for the Software Engineering Institute.

Section 207(a) provides that of the amount authorized for the Defense Agencies;

(1) $300,000,000 is available only for the Joint Advanced Systems program;

(2) $81,250,000 is available only for the University Research Initiative program;

(3) $1,000,000 is available only for the Defense Logistics Agency to conduct a demonstration of advanced clothing manufacturing technology;

(4) $500,000 is available only for use by the Defense Logistics Agency for the Military Sewn Products Automation Program; and

(5) $142,000,000 is available only for the Strategic Computing Initiative.

Section 207(b) provides that none of the amount authorized for the Joint Tactical Information Distribution System (JTIDS) may be obligated or expended until the Secretary of Defense selects a single JTIDS program to meet the operational requirements of both the Navy and the Air Force.

Section 208 provides that none of the funds appropriated pursuant to an authorization may be obligated or expended to test against an object in space the miniature homing vehicle anti-satellite warhead launched from the F-15 aircraft unless the President has made a determination and a certification to the Congress as provided in Section 8100 of the Department of Defense Appropriations Act, 1985. This section also limits the number of tests to not more than three tests before October 1, 1986 and specifies that $15,000,000 is available only for the satellite survivability project of the Air Force Space Survivability Program.

Section 209 authorizes $724,500,000 for the Air Force for research, development, test and evaluation (RDT&E) of the Small Mobile Intercontinental Ballistic Missile (ICBM) program. In addition, this section requires the Secretary of Defense to carry out the program in accordance with the priority (known as "Brick-Bat") in effect on June 1, 1985 under existing laws and regulations for determining relative program precedents for assignment of production resources. Finally, this section requires that the Secretary of the Air Force prepare and submit to the appropriate committees of Congress a legislative environmental impact statement with respect to the Small ICBM program.

Section 210 authorizes $101,382,000 for the Advanced Medium Range Air-to-Air Missile (AMRAAM) program and specifies that $54,382,000 of the Air Force RDT&E authorization may not be obligated or expended until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a written certification on certain contractual aspects of this program.

Section 211 specifies that $100,000,000 of Navy RDT&E authorization and $50,000,000 of Air Force RDT&E authorization may be obligated or expended until the respective Secretaries submit to Congress a certification on certain contractual aspects of the High-Speed Anti-Radiation Missile (HARM) program.

Section 221 provides that of the $2,750,000,000 available for the Strategic Defense Initiative (SDI) program, $12,500,000 is available only for the medical application of free electron lasers and associate materials and physical science research.

Section 222 provides that a strategic defense system developed as a consequence of research, development, test and evaluation conducted on the SDI program may not be deployed unless the President determines and certifies to Congress that the system meets certain criteria of survivability and cost effectiveness.

Section 223 requires the Secretary of Defense to submit to Congress a report on the potential responses to SDI, and the cost estimates for the research, development, test evaluation for the proposed SDI program.

Section 224 expresses a sense of Congress regarding consultation with other members of NATO on the SDI program.

Section 225 expresses a sense of Congress regarding the SDI and the Anti-Ballistic Missile Treaty.

Section 226 requires the Secretary of Defense to conduct a study to examine the feasibility and military value of early application of defenses against ballistic missile attack on certain classes of targets.

Title III authorizes $79,291,686,000 for operation and maintenance (O&M) activities in fiscal year 1986.

Section 301(b) contains general authorization of appropriations for pay raises, fuel costs, and inflation adjustments that would permit timely legislative action on supplemental budget requests.

Section 301(c) provides additional authorization for the Army National Guard as may be necessary to provide for armory operating, costs, modification or repair of work space for full-time National Guard personnel, and partial Federal funding for major repair and renovation of National Guard facilities.

Section 301(d) authorizes the transfer of $468 million from the Foreign Currency Fluctuations Defense fund to the Army, Navy, and Air Force operation and maintenance accounts due to the growth in the cash balance of the fund due, in large part, to the strength of the dollar in relation to major foreign currencies.

Section 302 authorizes $1,659,600,000 to provide capital for Department of Defense working capital funds in fiscal year 1986.

Section 303 prohibits the use of operation and maintenance funding for items with a unit cost of $5,000 or more if the items were previously purchased through procurement appropriations.

Section 304 authorizes a sum not to exceed $10,000,000 to provide support to the Tenth International Pan American Games.

Section 305 authorizes $10,000,000 for travel and transportation services to be provided to refugees from the Soviet invasion of Afghanistan.

Section 306 extends section 1450(a) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), which authorizes the

Secretary of Defense to transport humanitarian relief supplies worldwide rather than only to Central America.

Section 307 limits the Secretary of the Air Force's authority to deactivate or divest the Air Force of any flying unit until 60 days after written notice has been provided to the Committees on Armed Services of the Senate and the House of Representatives.

Section 308 permits the Secretary of Defense to authorize dependents of reservists who die on active duty to use commissaries and exchanges on the same basis as dependents of other members of the uniformed services who die while on active duty.

Title IV provides personnel authorizations for the active forces, reserve forces and military training.

Section 401 authorizes end strengths for active duty personnel for fiscal year 1986 as follows:

Army, 780,800
Navy, 581,300
Marine Corps, 198,800
Air Force, 606,470

Section 402 extends the existing quality controls on Army enlistments through September 30, 1986.

Section 411 authorizes the Selected Reserve of each reserve component to attain an average strength during fiscal year 1986 of not less than the following:

Army National Guard of the United States, 440,025
Army Reserve, 290,639
Navy Reserve, 134,212
Marine Corps Reserve, 41,900
Air National Guard of the United States, 108,700
Air Force Reserve, 75,600
Coast Guard Reserve, 12,500

Section 412 authorizes the number of reservists serving on full-time active duty for the purpose of organizing, administering, recruiting, instructing or training the reserve components as follows:

Army National Guard, 23,731
Army Reserve, 12,157
Naval Reserve, 19,010
Marine Corps Reserve, 1,475
Air National Guard, 7,629
Air Force Reserve, 635

Section 413 prescribes the number of personnel authorized in certain grades to be on active duty in support of the reserve components.

Section 421 authorizes the military training student loads for each component of the Armed Forces for fiscal year 1986.

Title V includes a number of provisions relating to the management of Department of Defense civilian and military personnel.

Section 501 waives for fiscal year 1986 the ceiling previously imposed on the end strength of civilian personnel.

Section 502 prohibits the management of Department of Defense civilian personnel by end strength constraints in fiscal year 1986.

Section 503 authorizes the Secretary of Defense to exercise certain authorities relating to civilian employees of the Department of Defense.

Section 504 authorizes the Secretary of the Air Force to pay and classify civilian employees of the Air Force Institute of Technology.

Section 511 increases the authorized strength for Marine Corps majors by approximately 200 at current officer strength levels.

Section 512 clarifies the authority of service Secretaries to require and enforce service agreements of cadets and midshipmen.

Section 513 authorizes: (1) the placement of service members whose disabilities are permanent but unstable on the temporary disability retired list, and (2) the retirement or separation of service members directly from the temporary disability retired list.

Section 514 changes the title of commodore to rear admiral (lower half).

Section 515 extends for one year the existing temporary authorities for one additional Air Force general, three additional Navy vice admirals, and one additional Marine lieutenant general. This section also authorizes for one year an additional Army lieutenant general contingent on his serving as director of the Department of Defense Task Force on Drug Enforcement.

Section 516 provides that a retiree may not be recalled in a grade higher than the highest permanent grade held while on active duty.

Section 521 extends until September 30, 1987, the authority for determining grades for reserve medical officers, for promoting certain reserve officers on active duty, and for determining years of service for mandatory transfer to the retired reserve.

Section 522 authorizes the Secretaries of the Army and the Air Force to retain in active status until age 60 reserve officers who are employed as civilian technicians in the National Guard or Reserve in positions that require membership in the National Guard or Reserve.

Section 523 authorizes the Secretary of the Army to retain until age 62 up to 10 Army Reserve major generals.

Section 524 directs the Secretary of the Army to conduct a nationwide test of the Army's ability to mobilize the members of the Individual Ready Reserve.

Section 531 conforms service practices concerning appointments of warrant officers.

Section 532 authorizes the award of prisoner of war medals to service personnel who were taken prisoner and held captive on or after April 6, 1917 and who served honorably during captivity.

Section 533 affords the Purple Heart a precedence not lower than immediately below the Bronze Star medal.

Section 534 establishes a capital espionage offense in the Uniform Code of Military Justice.

Title VI contains a number of provisions relating to compensation and personnel benefits.

Section 601 provides a three percent increase in basic pay, basic allowance for quarters, and basic allowance for subsistence for members of the uniformed services. effective October 1, 1985.

Section 602(a) and (b) deny the with-dependents rate of the variable housing allowance to certain members of the uniformed services who receive the basic allowance for quarters at the with-dependents rate solely by reason of their payment of child support.

Section 602(c) limits the amount by which the sum of a service member's variable and basic housing allowances may exceed the member's housing costs. This section also authorizes separate variable housing allowance rates for members with dependents and members without dependents.

Section 602(d) prohibits the use of certain administrative techniques with respect to variable housing allowance survey data.

Section 603 installs the variable housing allowance—in place of the overseas station housing allowance—in Alaska and Hawaii. This section also grandfathers the status quo for service members stationed in Alaska and Hawaii already housed under the station housing allowance.

Section 604 authorizes the advance payment of basic allowance for quarters and variable housing allowance.

Section 605 restricts the existing prohibition on payment of basic allowance for quarters to single members above pay grade E–6 without dependents on sea or field or sea duty incident to a permanent change of station.

Section 606 extends through fiscal year 1986 the existing authority to pay basic allowance for quarters for accommodations in place of quarters during ship overhaul.

Section 607 authorizes an increase in the family separation allowance from $30 to $60 a month.

Section 611 increases the dislocation allowance from one month's to two months' basic allowance for quarters.

Section 612 revises the mileage allowance in lieu of transportation and dependent per diem systems.

Section 613 makes reimbursement for temporary lodging expenses an entitlement.

Section 614 authorizes the payment of a "packing and crating monetary allowance for transportation of baggage and household effects until September 30, 1989.

Section 615 authorizes paid travel to the home of record for members and their dependents who serve voluntary consecutive overseas tours.

Section 616 improves the existing transportation entitlement of service members assigned to ships that are overhauled or inactivated away from the homeport.

Section 617 defines a dependent student's residence as the permanent duty station of the member or the designated residence of dependents of the member if the member's dependents are not authorized to reside with the member.

Section 618 authorizes the service Secretaries to conduct a flat rate per diem test in fiscal year 1986.

Section 619 authorizes reimbursement for parking fees incurred in connection with local travel.

Section 620 authorizes travel and transportation allowances for dependents of a member who dies while on active duty for a period of 30 days or more to attend the burial ceremonies of the deceased member.

Section 631 provides that not less than 75 percent of the selective reenlistment bonus shall be paid at the beginning of the period covered by the bonus, effective in fiscal year 1987.

Section 632 modifies special pay for nuclear officers.

Section 633 revises the current structure of nuclear submarine incentive pay.

Section 634 increases the rates of career sea pay for certain officers.

Section 635 equalizes the rates of various hazardous duty incentive pays for enlisted members with those of officers and makes other adjustments to the hazardous duty incentive pay system.

Section 636 extends through fiscal year 1987 the existing authority to pay aviation officer continuation pay.

Section 637 authorizes the payment of engineering and scientific career continuation pay to members of the National Oceanic and Atmospheric Administration and the Public Health Service.

Section 638 increases the rate of special pay for duty subject to hostile fire or imminent danger to that of the lowest hazardous duty incentive pay.

Section 639 revises special pay for dental officers.

Section 640 provides that bankruptcy does not discharge the debt to the United States created by the failure to serve the period of service for which special pay for medical officers has been paid.

Section 641 increases the amount of monthly special pay for qualified enlisted members extending duty at certain overseas locations from $50 to $80.

Section 642 extends the authority to pay the Selected Reserve non-prior-service enlistment bonus until September 30, 1987.

Section 643 extends the authority to pay the Selected Reserve reenlistment bonus until Sepetember 30, 1987 and increases the amount of the maximum reenlistment bonus authority.

Section 644 authorizes a new Selected Reserve enlistment bonus for prior service personnel who have less than 10 years of total military service and who serve in designated critical skills.

Section 645 extends the authority to pay the Selected Reserve affiliation bonus until September 30, 1987, and increases the maximum monthly payment from $25 to $50.

Section 646 extends the authority for payment of the Individual Ready Reserve non-prior-service and prior-service enlistment and reenlistment bonuses until September 30, 1987. This section also revises the current prior-service enlistment and reenlistment bonuses by providing $750 for a three year enlistment and $1,500 for a six year enlistment and makes the individual subject to an annual muster or a period of active duty for training as a condition for receipt of these bonuses.

Section 647 modifies the hazardous duty incentive pay flight time requirements for members of the Reserve and National Guard.

Section 651 authorizes the Secretary of Defense to establish a dental insurance program for spouses and children of active duty service members beginning not earlier than September 30, 1986.

Section 652 extends military medical care benefits to survivors of reservists and guardsmen who die of injury, illness, or disease during either inactive duty training or active duty for training of 30 days or less.

Section 653 requires all health care professionals that provide care in military medical facilities to possess current licenses.

Section 654 directs the Secretary of Defense to conduct a study on the medical aspects of casualty resolution.

Sections 666 and 667 direct the Secretary of Defense to submit a report on changes to the military retirement system that would meet the $2.9 billion reduction in the amount authorized to be spent for basic pay and retirement accrual.

Section 671 makes permanent the test program of using higher education loan repayment to attract high quality personnel to enlist in the Selected Reserve and active forces. This section also authorizes the repayment of up to $20,000 of higher education loans for health professionals for service in the selected reserve in a wartime combat medical skill.

Section 672 creates a program similar to the Armed Forces Health Professions Scholarship Program for specialty training of health professionals in critical skills.

Section 673 corrects a problem created by the incorrect implementation by the Navy of the educational assistance test program.

Section 674 provides eligibility under the Vietnam-era program of the new G.I. bill for veterans currently on active duty who have had a break in service since December 31, 1976.

Section 681 authorizes the Secretary concerned to employ counsel and pay fees for legal representation for certain dependents and civilian employees of the Armed Forces overseas.

Section 682 codifies the date after which not more than 60 days of accrued leave may be sold.

Section 683 standardizes the pay allotment system of the Navy and Marine Corps with that of the Army and Air Force.

Section 684 extends an existing debt collection authority to all of the uniformed services.

Section 685 reduces the veterinary clinic fee from $10 per visit to $2 per transaction.

Title VII contains a number of provisions designed to improve and simplify the Survivor Benefit Plan (SBP) as well as to correct certain inequities associated with the plan.

Section 711 establishes a two-tier benefit system and eliminates the social security offset.

Section 712 provides SBP coverage for certain members who die after completing 20 years of service but before completing 10 years of active commissioned service.

Section 713 provides SBP annuities to the survivors of certain retirement-eligible reservists.

Section 714 indexes the threshold amount for the calculation of member contributions to increases in basic pay.

Section 715 provides the military retiree with the options: 1) not to elect spouse coverage in the case of a remarriage in retirement and 2) to provide higher SBP coverage for a second spouse.

Section 716 provides for former spouse-dependent child coverage.

Section 717 authorizes the option of repaying refunded SBP deductions in installments.

Section 718 changes the effective date of the Dependency and Indemnity Compensation offset.

Section 719 contains technical amendments to the SBP statute.

Section 721 provides for spousal concurrence in the decisions: 1) not to elect SBP coverage; 2) to elect less than maximum coverage; or 3) to provide SBP coverage for a dependent child but not for a spouse.

Section 722 clarifies the status of spousal agreements.

Section 723 requires that former spouse coverage be provided in the spouse category rather than in the insurable interest category in the future.

Section 724 improves the process for notification of available elections.

Section 732 requires the Secretary of Defense to submit a report on establishing a needs-based survivor annuity program for the surviving spouses of certain retired reservists.

Title VIII contains a number of provisions relating to military family policy and programs.

Section 802 establishes the Office of Family Policy in the Office of the Secretary of Defense.

Section 803 transfers the Military Family Resource Center from the Office of the Assistant Secretary of Defense for Health and Affairs to the Office of the Assistant Secretary of Defense for Force Management and Personnel.

Section 804 authorizes the Secretary of Defense to conduct surveys of military families.

Section 805 permits military family members to serve on committees that advise the Department of Defense on military family matters even though such family members are not full-time employees of the Federal government.

Section 806 provides employment preference in hiring for certain Department of Defense jobs to the spouses of active duty service members.

Section 807 requires the establishment of a youth sponsorship program at each military installation.

Section 808 authorizes the payment of travel and transportation allowances within or between the contiguous United States for dependent students of military personnel stationed overseas.

Section 809(a) requires the Secretary of Defense to report on the feasibility and desirability of providing relocation assistance to military members through contracting with private firms to provide such assistance.

Section 809(b) increases the amortization period for house trailer and mobile home parking facilities from 15 to 25 years.

Section 809(c) exempts military personnel from the requirement to pay the reasonable rental cost for unaccompanied housing while on a permanent change of station move or on temporary duty orders.

Section 810(a) eliminates the surcharge for meals sold in military messes for the spouses and dependent children of enlisted members in pay grades E-1 through E-4.

Section 810(b) requires the Secretary of Defense to report on issuing food stamp coupons to households of members stationed outside the United States.

Section 811 directs the Secretary of Defense to request each state to provide certain information relating to known or suspected child abuse involving the child of a member of the Armed Forces.

Section 812(a) requires the Secretary of Defense to report on the availability and affordability of off-base housing for Armed Forces' members and their families.

Section 812(b) requires the Secretary of Defense to report on any administrative and legislative changes necessary to assist families whose children must transfer to secondary schools with different graduation requirements.

Title IX contains a number of provisions relating to reform of the defense procurement process.

Section 911 limits the costs that contractors may charge to the government on defense contracts; establishes administrative penalties for the submission of unallowable costs; provides that the knowing submission of an unallowable cost constitutes the submission of a false claim; increases the penalty for submission of false claims by a defense contractor to up to $1 million and five years imprisonment; requires defense contractors to certify to their best knowldege and belief that costs submitted to the government were allowable; and strengthens the role of the auditor in the settlement process for indirect costs.

Section 912 requires the Secretary of Defense to ensure that there will be competitive sources of supply for all major defense acquisition programs throughout full-scale engineering development and production. This section also authorizes the Secretary of Defense to waive this requirement if meeting the requirement would increase the cost of the total program, delay the completion of the total program, or be adverse to the national security interests of the United States.

Section 913 requires the Secretary of Defense to establish for each fiscal year a goal for the competitive award of defense contracts, and to report each year on the Department of Defense' success in reaching that goal.

Section 914 identifies several management problems relating to the acquisition of spare parts and requires the Department of Defense to report on the specific actions taken to address those problems.

Section 915 requires the Department of Defense to submit annually for congressional review a report setting forth the Secretary's plan for performance of should-cost analyses for major defense acquisition programs.

Section 916 limits the amount of progress payments under a defense contract to work that meets stated quality requirements. Additionally, in the case of a contract with undefinitized terms, the progress payments may not exceed 80 percent of the value of the work performed.

Section 917 requires contractors that keep work measurement records to record bills of labor and materials in certain categories and to establish standard work measurements similar to those in commercial industry.

Section 918 requires the Department of Defense to establish an accounting process to track and reconcile amounts expended for contracted advisory and assistance services, and to issue new regulations defining the appropriate types of services to be included in this category.

Section 919 reauthorizes the Procurement Technical Assistance Program, which provides matching funds to state, local and nonprofit organizations that establish programs to provide technical assistance to businesses bidding on government contracts.

Section 921 precludes presidential appointees who have acted as the primary government representative in the negotiation of a government contract or settlement thereof from accepting employment with that contractor for two years after the termination of said activities. This section also establishes penalties of up to one year's imprisonment and a fine of up to $5,000 for a violation by a former employee, and forfeiture of up to $50,000 by a defense cointractor who hires such a person.

Section 922 strengthens the reporting requirements for former Department of Defense employees who have accepted employment with a defense contractor.

Section 923 requires all civilian employees in pay grades GS–11 and above and military officers in pay grades O–4 and above, who have participated in a procurement function, to report any contact with that contractor regarding future employment and to immediately disqualify themselves from all participation in procurement functions relating to that contractor until the employee has rejected any future employment opportunities.

Section 924 sets forth mandatory training and education requirements for program managers, quality assurance personnel, and general and flag officers assigned to duty in a procurement command.

Section 925 requires the Secretary of Defense to establish a rotation policy for principal and corporate administrative contracting officers.

Section 931 increases the maximum fine for making a false claim relating to a Department of Defense contract.

Section 932 prohibits a person who is convicted of fraud or any other felony relating to a contract with the Department of Defense from working in a management or supervisory capacity on any defense contract for a period of not less than one year and establishes a fine of up to $500,000 for contractors who knowingly hire such a person.

Section 933 shifts the burden of proving the reasonableness of a cost from the government to the contractor in all judicial proceedings.

Section 934 establishes a fine for the knowing submission of inaccurate, incomplete or non-current cost and pricing data, and for the recovery of interest by the government on all payments due the government under this section.

Section 951 requires the Secretary of Defense to report to the Committees on Armed Services regarding the desirability and advisability of legislation or regulations to prohibit the inclusion of general and administrative expenses incurred by the contractor in the calculation of a contractor's profit rate.

Section 952 requires the Secretary of Defense to submit a report on the continued use of independent cost estimates in the planning, programming, budgeting and selection process for major acquisition programs.

Section 953 requires the Comptroller General to study the advantages and disadvantages of the establishment of a separate procuring agency either within or outside the Department of Defense.

Section 954 requires the Secretary of Defense to submit a report on the policies prescribed and actions taken by the Secretary to im-

plement the recommendations of the Inspector General on Department of Defense debarment and suspension activities.

Section 955 requires the Secretary of Defense and the Administrator of the Small Business Administration to each submit a report on the feasibility of using competitive procedures in the award of contracts under section 8(a) of the Small Business Act.

Section 956 requires the Secretary of Defense to submit a report on the efforts by the Department of Defense to increase contract awards to Indian-owned businesses.

Section 961 makes technical corrections to Titles 10, 41, and 40, United States Code, to exempt brand-name purchases for commissary resale and purchases from a source directed by law from the requirement to justify in writing that noncompetitive procedures are being utilized; to correct a citation in the NATO Mutual Support Act; and to state that procurements of automated data processing equipment are non-competitive if only one manufacturer's product is responsive.

Title X contains provisions related to arms control.

Section 1001 expresses the sense of Congress that the United States should vigorously pursue concerns over Soviet compliance with the existing arms control agreements, that the United States should continue through December 1, 1986 to refrain from undercutting provisions of existing strategic offensive arms control agreements and that decision by the President to continue existing no-undercut policy beyond December 31, 1986 should be a matter of consultation between the President and Congress. This section also requires that the President submit a report to Congress no later than February 1, 1986 on a variety of concerns related to continuing a policy of not undercutting existing arms control arrangements. Finally, this section states that the President may propose measures to Congress that he considers necessary to protect the security of the United States in the context of possible violations by the Soviet Union of existing arms control agreements.

Section 1002 requires the President to submit a report to Congress no later than December 1, 1985 and annually thereafter on compliance of the Soviet Union with arms control commitments.

Section 1003 requires the President to conduct an interagency study of possible avenues of cooperation between the United States and the Soviet Union to develop capabilities for verification of compliance with arms control agreements.

Section 1004 expresses the sense of Congress that the President and Secretary Gorbachev should be commended for their willingness to meet to discuss major issues in U.S.-Soviet relations, and that such meetings should work for the realization of mutual, equitable and verifiable reductions in nuclear arms.

Section 1005 directs the Secretary of Defense to submit a plan for establishing and operating during fiscal year 1986 a pilot program for the exchange of visits between high ranking officers and civilians of the Department of Defense and coresponding officials in the Soviet Union.

Section 1006 directs the Secretary of Defense to participate in any interagency study on the atmospheric, climatic, environmental, and biological consequences of nuclear war. This section also directs the Secretary of Defense to submit to the Committees on

Armed Services of the Senate and the House of Representatives an unclassified report (and classified addenda if required) on the same subject.

Title XI contains provisions relating to the North Atlantic Treaty Organization (NATO).

Section 1101 authorizes the Secretary of Defense to exceed the permanent ceiling on U.S. forces assigned to NATO by not more than one-half of one percent in a fiscal year for the purpose of achieving sound management in the rotation of service personnel to and from NATO.

Section 1102 authorizes the President to enter into agreements with the North Atlantic Treaty Organization for cooperative armaments projects. Such projects would be jointly managed, described in written agreements and undertaken to further aliiance, rationalization, standardization and interoperability.

Section 1103 provides $200 million from funds authorized in section 201(a) for NATO cooperative research and development projects. This section also provides $50 million from funds authorized for acquisition of NATO allies' military equipment to conduct side by side testing comparable to U.S. military equipment.

Title XII contains provisions related to management of the Department of Defense.

Section 1201 specifies the information that the Secretary of Defense must provide to the Congress in the Selected Acquisition Reports (SARs). This section also requires the Secretary of Defense to resubmit the December 1984 SARs.

Section 1202 removes certain legal impediments and streamlines procedures for closures and/or realignments of military installations no longer required for national defense purposes.

Section 1203 requires the Secretary of Defense to conduct a demonstration project to test the use in military hospitals of the Veterans' Administration hospital management computer system.

Section 1204 repeals the scheduled transfer of the Department of Defense Dependents' Schools to the Department of Education, stipulates the membership of the Advisory Council on Dependents' Education and requires the Secretary of Defense to consult with the Secretary of Education on certain educational programs and practices.

Section 1205 clarifies the authority of the Department of Defense to enroll certain children in the Department of Defense Dependents' Schools.

Section 1206 freezes the total number of military and civilian personnel assigned to perform management headquarters activities or management headquarters support activities in a Defense agency or military department at the same number assigned to those activities as of September 30, 1985, and limits the number of military and civilian personnel assigned to the Office of the Secretary of Defense as of September 30, 1986, to 1,765.

Section 1207 requires the Secretary of Defense to submit a report to Congress containing a plan for revising the organizational structure of the military health-care delivery system to improve the quality of military health care, enhance readiness, reduce medical costs, and streamline programming, planning and budgeting.

Section 1208 requires the Secretary of Defense to provide additional information in the annual Guard/Reserve equipment report submitted to the Congress.

Section 1209 prohibits military exchanges from operating or constructing commercial business franchises in the United States until 90 days after the Secretary of Defense transmits a report to the Congress justifying such facilities, or May 1, 1986, whichever comes first. This section also requires the Department of Defense to advise the Congress before awarding any contracts for fast food franchises during the next two years.

Section 1210 directs the Secretary of the Air Force to place the highest priority on achieving specified initial operating capability dates for the Shuttle Operations and Planning Center and to submit a report to the respective Committees on Armed Services on how those dates can be met.

Section 1211 permits the Secretary of the Army to loan uranium tetraflouride (green salt) to a contractor for the production of conventional ammunition.

Section 1212 prohibits discrimination against non-baccalaureate-degree-granting educational institutions in the procurement process for on-base postsecondary education services for military and civilian personnel and their dependents.

Section 1221 authorizes the Secretary of Defense to implement a program of counter-intelligence polygraph examinations for military and civilian personnel of the Department of Defense and defense contractors who have access to information classified top secret and above. This section also (1) limits the number of counter-intelligence polygraph examinations that may be administered in fiscal years 1986 and 1987 to 3,500 and 7,000, respectively; and (2) establishes a polygraph research program to support Department of Defense polygraph activities.

Section 1222 provides that the Secretary of Defense should strive to attain a 25 percent reduction in the backlog of reinvestigations of individuals holding top secret and above security clearances in fiscal year 1985 and authorizes $25 million for that purpose. This section also requires the Secretary of Defense to report to Congress on his efforts to reduce the backlog and on additional resources and requirements that would be necessary to achieve a 50 percent reduction by the end of fiscal year 1987.

Section 1223 directs that the Naval Investigative Service and the Air Force Office of Special Investigations be given independence to initiate and conduct criminal investigations on their own authority.

Section 1224 establishes, with certain exceptions, the minimum age for purchase and consumption of alcohol on military installations as that age established by the state in which the installation is located. This section also requires a report concerning the feasibility of permitting the sale of low-content alcohol beverages, and the effects such sales might have on the incidence of military personnel driving under the influence of alcohol on military installations.

Section 1225 extends the authority to pay Federal employees cash awards for disclosing fraud, waste, and abuse, and authorizes the payment of cash awards for members of the armed services for similar disclosures.

Section 1231 clarifies the intent of section 307 of the Defense Authorization Act, 1985 (Public Law 98-525) that core logistics functions include those performed by depot maintenance personnel at specified Department of Defense logistics activities.

Section 1232 extends for one year the existing prohibition on the contracting out of firefighter and security guard functions currently performed by Department of Defense civilians. This section also requires the Secretary of Defense and the U.S. Fire Administrator to report to Congress on the benefits and risks of contracting out firefighting and security guard functions in the Department of Defense.

Section 1233 directs the Secretary of the Defense to promote contracting out in accordance with law where it is cost effective and in the best interests of national security.

Section 1234 amends section 502 of the Department of Defense Authorization Act, 1981 (Public Law 96-342) by increasing the threshold for the performance of full cost studies from 10 to 40 or fewer Department of Defense civilian employees. This section also increases the threshold from 50 to 75 civilian employees for a report on the potential economic effect of contracting a function on the employees, the local community and the Federal government.

Section 1241 requires all Federal government contractors to pay employees an overtime rate of pay for work done in the performance of the contract after completing 40 hours of work in any one week.

Section 1242 prohibits the Department of Defense from establishing wage schedules and rates for prevailing rate employees of the Department of Defense on the basis of a survey of wage rates paid for comparable positions in other than the local wage area.

Title XIII makes clerical and technical changes in existing statutes.

Section 1301 eliminates certain unintended gender-based distinctions in current law.

Sections 1302 through 1304 make technical, codifying, and conforming amendments to titles 10 and 37, United States Code, and to other permanent provisions of law.

Title XIV contains the general provisions of the Act.

Section 1401 authorizes the Secretary of Defense to transfer up to $2 billion between any authorizations (or subdivisions thereof) upon determination that such action is necessary in the national interest, is to provide for items that have higher priority than originally authorized, and is not used to provide authority for an item denied authorization by the Congress.

Section 1402 authorizes the transfer of Department of Defense appropriations that remain available for obligation and are no longer required for their original purposes in other accounts to the operations and maintenance and personnel accounts for fiscal year 1985, to fund civilian and military pay raises.

Section 1403 authorizes $1 billion for the capitalization of the Special Defense Acquisition Fund.

Section 1404 requires the Secretary of Defense to provide a report containing two budget plans for fiscal years 1987 through 1990, one assuming an annual rate of budget growth of three per-

cent more than inflation, and the other assuming no annual budget growth beyond the rate of inflation.

Section 1405 requires that the President include in the budget submission for fiscal year 1988 a single budget proposal for the Department of Defense for fiscal years 1988 and 1989, and that the President submit such two-year budgets for the Department of Defense every other year. This section also requires the Secretary of Defense to submit a report on the advantages and disadvantages of a two-year budget cycle and plans for converting to such a cycle.

Section 1406 requires the Secretary of Defense to report on what the Department of Defense does with funds not expended as a result of lower-than-anticipated inflation. This section also requires that the Secretary include in the report alternative proposals for dealing with inflation in the Defense budget and recommendations on such proposals.

Section 1407 requires the Secretary of Defense to report estimates of the amount of funds in each Department of Defense appropriation account that are available for obligation and are in excess of amounts needed to carry out the programs for which they were appropriated as of the date of the report.

Section 1408 provides $2,100,000 for the purchase of foreign currencies to pay expenses incurred in carrying out research and development programs of the Department of Defense.

Section 1411 prohibits the obligation of funds for the binary chemical munitions program until certain conditions are met. Specifically, no funds may be obligated or expended for the procurement or assembly of binary chemical munitions or for the establishment of production facilities for such munitions until the President has certified that the United States, in cooperation with the Supreme Allied Commander, Europe (SACEUR), has developed a plan under which U.S. binary chemical munitions can be deployed under appropriate contingency plans to deter chemical weapons attacks against the United States and its allies and has consulted with NATO members on this plan.

This section further provides that no final assembly of complete binary chemical munitions can occur until 60 days after October 1, 1987 and only then if specified conditions dealing with performance, safety, accelerated destruction of existing stocks, storage and transportation are satisfied.

Finally, section 1411 expresses the sense of the Congress that existing unitary chemical munitions currently stored in the United States and European member nations of NATO should be replaced by modern, safer, binary chemical munitions.

Section 1412 prescribes the terms and conditions for the destruction of the existing U.S. stockpile of lethal chemical agents and munitions in conjunction with the acquisition of binary chemical weapons. (Destruction of the stockpile is to be completed by September 30, 1994 except under specified circumstances.) This section also directs the Secretary of Defense to develop and submit a comprehensive plan for such destruction by March 15, 1986.

Section 1413 requires the Secretary of Defense to submit a report within 90 days of enactment on certain factors associated with the siting of test facilities for diluted or undiluted chemical warfare agents.

Section 1421 requires that Coast Guard personnel be assigned as a law enforcement presence on each surface naval vessel at sea in the drug lanes and authorizes appropriations to carry out that purpose.

Section 1422 directs that military command, control and coordination of support to civilian illegal-drug interdiction activities be performed by the U.S. Air Force First Special Operations Wing, or, at the discretion of the Secretary of Defense, that a second (reserve) special operations wing headquarters be established to perform this mission.

Section 1423 requires the Attorney General to conduct briefings for state and local law enforcement personnel about Federal assistance in drug law enforcement.

Section 1424 requires the Navy to conduct a study evaluating the utility of E-2 aircraft in the drug interdiction role.

Section 1425 restricts the obligation of funds for research, design, demonstration, development, or procurement of no more than 100 B-1B aircraft.

This section also expresses the sense of Congress that stealth technologies should be developed as rapidly as possible, that the B-1B aircraft procurement should be terminated after acquisition of 100 aircraft, and that none of the funds authorized for the advanced technology bomber and advanced cruise missile should be used for any other purpose.

Section 1426 provides restrictions on certain nuclear programs. This section restricts use of funds for production of W87 wareheads in excess of the numbers required to arm the number of MX missiles authorized for deployment plus a number of warheads determined by the President to be necessary for quality assurance and reliability testing; restricts the use of all funds associated with the nuclear version of the Standard missile (SM-2N) both in the Department of Defense and the Department of Energy until the Secretary of the Navy submits a detailed report to the Committees on Armed Services of the Senate and House of Representatives meeting certain specified criteria; and requires a joint report by the Secretaries of Defense and Energy detailing the military requirements for special nuclear materials through the year 1991.

Section 1431 extends the reporting dates and authorization of appropriations for the Commission on Merchant Marine and Defense as specified in the Department of Defense Authorization Act, 1985 (P.L. 98-525).

Section 1432 requires the Secretary of the Navy to submit a report on the industrial base for construction, overhaul, and repair of naval vessels. The report should address the interaction of competitive ship procurement and mobilization concerns.

Section 1433 limits the obligation of funds appropriated for design or construction of nuclear reactor components for the SSN-21 class submarine until the Secretary of the Navy submits a report on the industrial base for such components.

Section 1434 directs the Secretary of Defense to report within 90 days of enactment on measures taken to conserve military aircraft fuel from 1981 to present.

Section 1435 requires the Secretary of Defense to submit a report on the feasibility of converting a Poseidon-class submarine into an

attack or cruise missile submarine or to use such submarine as a training platform.

Section 1436 requires a report and demonstration project on the feasibility of selling U.S. meat in overseas commissaries. The six-month demonstration project will sell U.S. beef, pork and lamb in six European commissaries—three Army and three Air Force. The results and conclusions of the test will be reported to Congress within one year.

Section 1437 prohibits the removal of the Basic Point Defense Missile System from any amphibious vessel until the Secretary of the Navy submits a report assessing the anti-air warfare capabilities of such vessels.

Section 1438 directs the Secretary of the Army to study and report on the disparity between the pay received by members of the Philippine Scouts during World War II and the pay received by other members of the United States Army.

Section 1439 directs the Secretary of Defense to study the desirability of reinstating the civilian death penalty for espionage.

Section 1440 directs the Secretary of Defense to conduct a study on the impact of foreign export subsidies on the defense industrial base of the United States. Study requirements include a compilation of specified contracts awarded foreign firms by the Department of Defense, whether foreign products procured by the Department of Defense were subjert to a countervailing duty and, if so, a description of the subsidy that led to such determination.

Section 1441 requires the Secretary of Defense to report to the Congress concerning expenditures for tactical missiles used for training purposes.

Section 1442 directs the Secretary of Defense to report on the feasibility of a program to test prospective military recruits for drug abuse.

Section 1451 expresses the sense of Congress that U.S. Armed Forces should not be introduced into or over Nicaragua for combat. This section further states that nothing in the section shall be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

Section 1452 expresses the sense of Congress that the President should be supported in protecting members of the armed forces against terrorist activity.

Section 1453 expresses the sense of Congress that the revitalization of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority.

Section 1454 authorizes the use of excess and donated supplies by the Secretary of Defense for humanitarian purposes, and specifies that such use may not constitute engagement in a covert action project.

Section 1455 requires the Secretary of the Navy to take such steps as necessary to encourage construction of combatant vessels for U.S. allies in U.S. shipyards.

Section 1456 directs the Secretary of Defense to monitor and report on the capability of the defense industrial base for textile and apparel products to support defense mobilization requirements.

Section 1457 directs the Secretary of Defense to encourage to the extent consistent with national security objectives the transfer of technology between laboratories and research centers of the Department of Defense and other federal agencies, state and local governments, colleges and universities and private persons in cases that are likely to result in the maximum domestic use of such technology.

Section 1458 amends Section 9441(b) of title 10, United States Code, relating to the Civil Air Patrol to grant discretionary authority to the Secretary of the Air Force to authorize reimbursement to the Civil Air Patrol for costs incurred for the purchase of certain items of equipment.

Section 1459 provides for the establishment of a national center dedicated to communications and electronics.

Section 1460 allows commissaries to donate unmarketable, but edible, food to authorized charitable nonprofit food banks. These food banks must be authorized to receive donations by the Secretary of Defense or the Secretary of Health and Human Services.

Section 1461 prohibits any Federal officer, employee, or Member of Congress from accepting, either directly or indirectly, anything valued at $100 or more in connection with a naval shipbuilding milestone ceremony.

Section 1462 authorizes the Secretary of the Navy to transfer title to specifically covered aircraft to an institution leasing the aircraft on certification that the aircraft is being used for the purpose intended when first leased and that the Navy no longer needs the aircraft.

Section 1463 authorizes the lease of 12 UH-1F helicopters to the Department of Forestry of the State of California for the purpose of fighting forest fires.

Section 1464 expresses the sense of Congress that each military department should provide for free and open competition in the procurement of commercial travel services, while retaining overall capability to surge civilian airlift support during times of national emergency.

Section 1465 expresses the sense of Congress that performing groups of the Armed Forces should use domestically manufactured entertainment support items at patriotic events at all Federal buildings, unless there is no domestically manufactured item of comparable quality and price.

Section 1466 authorizes the commercial sale of the United States Air Force Band concert recorded at Salt Lake City, Utah, on April 18 and 19, 1985.

Title XV authorizes $7,684,305,000 for Department of Energy Defense programs.

Section 1511 of Part A authorizes $6,138,237,000 for operating expenses incurred in carrying out national security programs including scientific research and development in support of the armed services, strategic and critical materials necessary for the common defense, and military applications of nuclear energy.

Section 1512 of Part A authorizes $1,098,961,000 for plant construction including planning, construction, acquisition of modification of facilities (e.g. land acquisition). This section further authorizes $479,387,000 for acquisition and fabrication of capital equip-

ment not related to construction necessary for national security programs.

Part B contains nine general provisions concerning restrictions, limitations, requirements and authorizations related to the expenditure of authorized funds.

Part C contains five provisions revising or otherwise restricting programs authorized under Title XV.

Section 1531 of Part D requires a $32,280,000 reduction to be derived from funds for acquisition of computer equipment from savings to management initiatives and from a proposed rescission.

Section 1532 of Part D authorizes community assistance payments pursuant to the Atomic Energy Community Act of 1955 (42 U.S.C. 2391), including a one-time payment terminating all annual assistant payments to one community. This section also requires a completed contract between the Department of Energy and the community involved.

Section 1533 of Part D authorizes improvements to a Department of Energy building at Oak Ridge Tennessee.

Section 1534 of Part D enumerates costs not allowable under contracts entered into pursuant to this title.

Section 1535 contains a number of technical amendments to the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act, 1985 (title XVI of Public Law 98-525).

Title XVI contains other general provisions of the Act.

Section 1601 authorizes $130,000,000 for fiscal year 1986 to carry out the programs authorized by the Federal Civil Defense Act of 1950.

Section 1611 provides for the deposit into the National Defense Stockpile Transaction fund of 30 percent of funds accruing from the Naval Petroleum Reserves to the United States during fiscal year 1986.

Section 1612 prohibits the President from lowering goals for strategic and critical materials in the National Defense Stockpile during fiscal year 1986 below those in effect on October 1, 1984.

Section 1613 requires the Secretary of Defense to conduct a study to determine what effect the loss of domestic ferroalloy production would have on the defense industrial base and the industrial preparedness of the United States.

Section 1621 expresses a sense of Congress that the President should recognize by proclamation the contribution of young men to the success of the peacetime registration program.

Section 1622 makes ineligible for employment in any executive agency individuals born after 1960 who are required to have registered with the selective service system and who knowingly and willfully failed to register.

Section 1623 authorizes residence-to-work transportation for the Commandant of the Coast Guard similar to that provided the chiefs of the other armed forces.

Section 1624 authorizes the Commandant of the Coast Guard to accept volunteer services in military museums and family support programs.

Section 1625 authorizes the Governor of the United States Soldiers' and Airmens' Home to grant two exceptions from the dual

compensation provisions of section 5532 of title 5, United States Code, if necessary, to recruit or retain well-qualified physicians for the home.

Section 1626 expresses the sense of Congress that the Archivist of the United States should appoint an advisory committee to study the management of military records by the National Archives and Records Administration and to make recommendations to the Archivist on ways to improve the management and maintenance of such records in order to enhance public access.

Section 1627 renames the Federal Merit Scholarship Program the "Robert C. Byrd Honors Scholarship Program."

Section 1628 expresses a sense of the Senate that the Postal Service should issue a stamp in 1986 commemorating the 350th anniversary of the National Guard.

Hearings were held on H.R. 1872, the Department of Defense Authorization Act, 1986, and on H.R. 1873, the National Security Programs Authorization Act for Fiscal Years 1986 and 1987. On May 10, 1985, the committee reported a single bill incorporating the subject matter of H.R. 1873 as one title of the reported H.R. 1872. The bill was passed by the House on June 27, 1985. The text of H.R. 1872, as passed by the House, was substituted for the text of S. 1160, a similar bill previously passed by the Senate. When S. 1160, so amended, was passed by the House, the proceeding on H.R. 1872 was vacated.

(H. Rept. 99-81; S. Rept. 99-41; H. Conf. Rept. 99-235; H.A.S.C. 99-2) Date of enactment: November 8, 1985.

PUBLIC LAW 99-167 (S. 1042)

To authorize certain construction at military installations for fiscal year 1986, and for other purposes.

Public Law 99-167 authorizes $9,199,824,000 for military construction and related support for the military departments, the reserve components, and the Department of Defense for fiscal year 1986.

On June 5, 1985, the Senate passed S. 1042, the fiscal year 1986 military construction authorization bill. It provided $8,831,012,000 in new authorization.

The House version of the fiscal year 1986 military construction authorization bill was H.R. 1409. Hearings on H.R. 1409 were held on February 27; March 13, 14, 19, 21, 27 and April 3, 16, 17, and 18, 1985.

On May 14, 1985, H.R. 1409, as amended, was reported by the full committee. On October 16, 1985, the House passed H.R. 1409, as amended, and then passed S. 1042 by amending it with the text of H.R. 1409, as amended. S. 1042 as passed by the House provided $9,200,000,000 in new authorization. It also incorporated provisions of H.R. 1771 (directing the Department of the Army to develop a comprehensive plan for the cleanup of contamination at Rocky Mountain Arsenal in Colorado) and H.R. 2625 (authorizing the conveyance of federal land at Fort William H. Harrison, Montana, to the State of Montana for the purpose of establishing a state Veterans' cemetery.)

The conference report on S. 1042 was agreed to in the Senate on November 12, 1985 and in the House on November 19, 1985.

A brief summary of the authorization provided by Public Law 99-167 follows:

Authorization for appropriations conference agreement, fiscal year 1986

Section 601 (Army):	
Inside the United States	$1,089,432,000
Outside the United States	429,140,000
Unspecified minor construction	31,000,000
Planning and design	136,100,000
Family housing construction	356,337,000
Family housing support	1,270,794,000
Subtotal	3,312,803,000
Section 602 (Navy):	
Inside the United States	1,304,480,000
Outside the United States	201,185,00
Unspecified minor construction	21,560,000
Planning and design	139,260,000
Defense access roads	2,960,000
Family housing construction	154,000,000
Family housing support	584,739,000
Subtotal	2,408,184,00
Section 603 (Air Force):	
Inside the United States	1,147,207,000
Outside the United States	415,550,000
Unspecified minor construction	22,000,000
Planning and design	144,096,000
Defense access roads	30,240,000
Family housing construction	212,600,000
Family housing support	729,298,000
Subtotal	2,700,991,000
Section 604 (Defense Agencies):	
Inside the United States	95,149,000
Outside the United States	104,146,000
Unspecified minor construction	4,000,000
Contingency construction	5,000,000
Planning and design	30,000,000
Family housing construction	1,910,000
Family housing support	18,390,000
Subtotal	258,595,000
Section 605 (NATO Infrastructure)	38,000,000
Section 701 (Guard and Reserve Force):	
Army National Guard	149,101,000
Army Reserve	70,700,000
Naval and Marine Corps Reserve	51,800,000
Air National Guard	139,000,000
Air Force Reserve	70,650,000
Subtotal	481,251,000
Total authorization of appropriations	$9,199,824,000

Also included in the law are provisions that:

(1) authorize the construction of child care centers, waste water treatment and depot facilities with private sector financing;

(2) extend for one year the authority for the military services to enter into family housing leases for an additional 600 units and rental guarantee agreements for an additional 600 units;

(3) authorize $101,000,000 in construction to increase the security and safety for Pershing II missile sites at various locations in Germany;

(4) authorize the services to use one-step turn-key selection procedures for the purpose of entering into a limited number of construction contracts;

(5) direct the Secretary of Defense to submit to the Armed Services Committees of the Senate and the House of Representatives by March 1, 1986, a plan that provides for the orderly transfer, not later than July 1, 1990, of all Section 6 schools to the appropriate local school districts in which such schools are located; and

(6) authorize various real property transactions.

(H. Rept. 99-128; S. Rept. 99-41 (Division B of S. 1029); H. Conf. Rept. 99-366; H.A.S.C. 99-3) Date of enactment: December 3, 1985.

PUBLIC LAW 99-169 (H.R. 2419)

To authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Retirement and Disability System, and for other purposes.

Public Law 99-169 authorizes appropriations and related matters for fiscal year 1986 for certain Department of Defense intelligence-related activities within the jurisdiction shared by the Committee on Armed Services and the Permanent Select Committee on Intelligence.

Intelligence-related activities are those reconnaissance, surveillance and target acquisition programs of the Defense Department that are funded either partially or totally outside the National Foreign Intelligence Program.

Because the matters acted on by the committee were confined basically to classified items, the committee recommendations are reflected in the classified annex to the report on H.R. 2419 prepared by the Permanent Select Committee on Intelligence. The Armed Services Committee and the Select Committee reached an agreement on all matters that were jointly considered.

(H. Rept. 99-106, Part 1 (Intelligence) and Part 2 (Armed Services); S. Rept. 99-79 on S. 1271 (Intelligence); S. Rept. 99-136 on S. 1271 (Armed Services-Governmental Affairs, jointly)) Date of enactment: December 4, 1985.

PUBLIC LAW 99-227 (H.R. 3974)

To provide for temporary family housing or temporary housing allowances for dependents of members of the armed forces who die on or after December 12, 1985, and for other purposes.

In response to the tragic loss of 248 Army service men and women in the December 12, 1985 air crash at Gander, Newfoundland, the House on December 18, 1985 passed legislation providing improved benefits to the survivors of military personnel. After differences between the House and Senate versions were resolved, the

House cleared the measure for the White House on December 19, 1985.

To assist grief-stricken survivors in coping with the many changes that follow a service member's death, Public Law 99-227 allows family members to remain in government quarters for 90 days after a service member's death or to receive off-base housing allowances for that same period of time.

In addition, Public Law 99-227 backdates the effective date of the increase in the maximum benefit (from $35,000 to $50,000) payable under the Serviceman's Group Life Insurance Program from January 1, 1986, to deaths occurring after December 11, 1985.

Date of enactment: December 28, 1985.

Legislation Reported But Not Enacted

H.R. 752

To amend title 38, United States Code, to ensure an orderly transition to the new educational assistance program established by chapter 30.

H.R. 752, as reported, would have moved back the effective date of both the active duty and Selected Reserve portions of the new G.I. bill (Title VII of Public Law 98-525) from July 1, 1985, to the date of enactment of H.R. 752 and would have extended eligibility for the active duty program to prior service personnel returning after a break in service. H.R. 752 incorporated a portion of H.R. 886—a related bill designed to ensure an orderly transition to the new Reserve G.I. bill. (See "Legislation Considered But Not Reported" elsewhere in this report for additional discussion of H.R. 886.)

H.R. 752 was jointly referred to the Committees on Armed Services and Veterans' Affairs. The Committee on Veterans' Affairs reported H.R. 752 on March 20, 1985. Following approval by the Subcommittee on Military Personnel and Compensation, the Committee on Armed Services favorably reported H.R. 752, with amendment, on March 20, 1985.

H.R. 752 was passed by the House on March 25, 1985, but was not favorably considered by the Senate.

(H. Rept. 99-17, Part 1 (Veterans' Affairs) and Part 2 (Armed Services); S. Rept. 99-96 (Veterans' Affairs); S. Rept 99-124 (Armed Services))

H.R. 1202

To authorize appropriations to carry out conservation programs on military reservations and public lands during the fiscal years 1986, 1987 and 1988.

H.R. 1202 would authorize $26.5 million in appropriations each year for fiscal years 1986 through 1988 for the Sikes Act, which authorizes various federal departments to maintain conservation programs on military reservations and other public lands.

Other provisions of H.R. 1202 would require that the Secretary of each military department manage the fish and wildlife resources under his jurisdiction with trained professionals; require that plans be developed for each military reservation in cooperation with all the appropriate parties and be reviewed by all parties on a regular basis; require preparation of a detailed report setting forth the amount and purpose of all expenditures during fiscal year 1986 for

fish and wildlife management on each military reservation; require that priority in any contracting out be given to the federal or state agency with expertise in management of fish and wildlife; modify the existing timber reserve account by depositing the total amount of money received from the proceeds of the sale of forest products, minus reimbursements for expenses, instead of one-half the total amount as in current law and make the money available for all natural resources management, rather than just forestry; and clarify that the reserve account may not exceed $4 million on December 31 of any calendar year and that any unobligated balances exceeding $4 million on that date shall be deposited into the U.S. Treasury.

H.R. 1202 was sequentially referred to the committee after the bill, as amended, was reported on May 1, 1985 by the Merchant Marine and Fisheries Committee.

Hearings were held on H.R. 1202 on June 18, 1985 and the bill was reported by the committee on June 25, 1985. H.R. 1202, as amended, was passed by the House on July 29, 1985.

(H. Rept. 99-129, Part 1 (Merchant Marine and Fisheries), Part 2 (Armed Services))

H.R. 2397

To amend title 10, United States Code, to limit the payment of costs to defense contractors and for other purposes.

H.R. 2397 would: (1) establish 10 categories of costs that would not be allowable under covered defense contracts; (2) require the Secretary of Defense to publish new regulations relating to 16 other categories of costs; (3) establish both administrative and criminal penalties for the submission of unallowable costs; (4) require that contractors certify that the costs they submit to the government are allowable; (5) preclude lump-sum settlements of questioned costs; (6) preclude settlement of costs for which the contractor does not provide adequate documentation to support the initial submission; and, (7) preclude payment of interim rates at an amount greater than the amount not questioned by the government auditors in previous years.

H.R. 2397, introduced on May 7, 1985, was the result of a series of hearings and an extensive audit review of seven defense contractors conducted by the Subcommittee on Seapower and Strategic and Critical Materials and the Subcommittee on Investigations. (See "Inquiry Into Defense Contractors" under "Other Activities of Subcommittees" elsewhere in this report for additional information.) The Subcommittee on Investigations held a hearing on the bill on May 20, 1985, and an amended bill was reported by the committee on May 22, 1985. Subsequently, the text of H.R. 2397 was adopted as a floor amendment to the Fiscal Year 1986 Defense Authorization Act (H.R. 1872). (See Public Law 99-145, Title IX, under "Legislation Enacted Into Law" for additional discussion of this subject.)

(H. Rept. 99-169; H.A.S.C. 99-16; H.A.S.C. 99-17)

H.R. 2554

To limit conflicts of interest in defense procurement.

H.R. 2554, a clean bill superseding both H.R. 272 (on which hearings were held) and H.R. 2356 (which was incorporated into H.R. 2554), would limit the appearance or actual occurrence of conflicts of interest by Department of Defense procurement officials and improve the reporting of post-government employment of former procurement officials employed in the defense industry. (See "Legislation Considered Not Reported" elsewhere in this report for additional discussion of H.R. 272 and H.R. 2356.)

The committee reported H.R. 2554 with an amendment on November 21, 1985. H.R. 2554 was referred on the same date to the Committees on the Judiciary and on Post Office and Civil Service for a period ending not later than March 15, 1986.

(H. Rept. 99-397, Part 1 (Armed Services); H.A.S.C. 99-11)

H.R. 3606

To clarify the application of section 2406 of title 10 United States Code, relating to cost and price management, and to delay the effective date of such provision.

H.R. 3606 would amend a provision of the Department of Defense Authorization Act, 1986 (P.L. 99-145) concerning cost and price management of defense contracts. (See "Legislation Enacted Into Law" elsewhere in this report for additional discussion of P.L. 99-145.) It would provide that a defense agency is not required to record any cost or price information concerning a covered defense contract if the contractor under such cointract does not maintain such information as of the effective date of the Act. It would also set forth the effective date and would define the contracts to which the provision would be applicable.

H.R. 3606 was introduced on October 23, 1985. The committee favorably reported the bill on October 24, 1985. H.R. 3606 passed the House on October 29, 1985 under suspension of the rules, and was ordered placed on the Senate calendar on October 30, 1985.

H.R. 3622

To amend title 10, United States Code, to strengthen the position of chairman of the Joint Chiefs of Staff, to provide for more efficient and effective operation of the armed forces and for other purposes.

H.R. 3622 would make several changes in the organization and functioning of the Joint Chiefs of Staff, Joint Staff, and unified and specified commands. The bill would establish the chairman of the Joint Chiefs of Staff as the principal military advisor to the President, National Security Council and Secretary of Defense, a responsibility now residing in the Joint Chiefs of Staff as a body. The chairman's term would be increased from two years to four years and he would assume the statutory responsibilities now assigned to the Joint Chiefs of Staff collectively. The bill would authorize, however, the Joint Chiefs of Staff as a body to advise the President and Secretary of Defense on matters with respect to which such advice is requested; moreover, each member of the Joint Chiefs would be empowered to submit advice to the President and Secretary of De-

fense if he disagrees with the advice rendered by the chairman or the other members of the Joint Chiefs of Staff.

The legislation would also:

(1) create a deputy chairman of the Joint Chiefs of Staff who would be the second ranking U.S. military officer, act as chairman in the absence or disability of the chairman and serve as director of the Joint Staff;

(2) authorize the President or Secretary of Defense to direct that the national military chain of command runs to the commanders of the unified and specified combatant commands through the chairman of the Joint Chiefs of Staff;

(3) authorize the chairman to supervise the commanders of combatant commands, subject to the authority, direction, and control of the Secretary of Defense;

(4) make the Joint Staff solely responsible to the chairman of the Joint Chiefs of Staff;

(5) authorize the Secretary of Defense to extend the tour of duty of Joint Staff officers;

(6) require the chairman to evaluate all nominees for three- and four-star positions on the basis of their performance in joint military assignments;

(7) require the Secretary of Defense to submit a report addressing a number of possible changes to the joint military structure.

(8) require the chairman, subject to the overall authority and direction of the President and the Secretary of Defense, to submit program recommendations and budget proposals to the Secretary based on (a) the Secretary's guidance, (b) program and budget proposals submitted by the unified and specified commanders, and (c) recommendations, as appropriate, from other Department of Defense components;

(9) require that dissenting views of members of the Joint Chiefs of Staff shall be submitted by the chairman to the Secretary of Defense and that they, in some cases, shall be forwarded to the President; and

(10) provide that the chairman or deputy chairman, subject to the direction of the President, attend meetings of the National Security Council and may, as directed by the President, participate in its deliberations.

The Investigations Subcommittee held several hearings on Joint Chiefs of Staff reorganization. (See "Other Activities of Subcommittees" for additional discussion of this topic.) The subcommittee reported H.R. 3622, a clean bill, that incorporated a number of provisions contained in four separate Joint Chiefs of Staff reorganization bills (H.R. 2165, H.R. 2265, H.R. 2314, and H.R. 2710) referred to the subcommittee. (See "Legislation Considered But Not Reported.") The committee reported H.R. 3622, as amended, on November 14, 1985. The House passed H.R. 3622 on November 20, 1985 by a vote of 383–27 and the bill was referred to the Senate.

(H. Rept. 99–375; H.A.S.C. 99–10)

Legislation Considered But Not Reported

H.R. 272

To amend the Defense Production Act of 1950.

H.R. 272 would amend the Defense Production Act of 1950 to prohibit any government acquisitions officer who is authorized to adminsiter procurement contracts for an executive agency from accepting compensation from any contractor who received funds under contracts administered by such officer for two years following such officer's last day of Federal employment. H.R. 272 would make it a felony for a contractor to offer such compensation.

H.R. 272 was jointly referred on January 3, 1985 to the Committees on Armed Services; Banking, Finance and Urban Affairs; Government Operations; and Post Office and Civil Service. The Seapower and Strategic and Critical Materials Subcommittee held a hearing on the bill April 18, 1985 and subsequently reported a clean bill, H.R. 2356. H.R. 2356 was, in turn, superseded by H.R. 2554. (Additional discussion of H.R. 2356 appears elsewhere in this section. See "Legislation Considered But Not Reported' elsewhere in this report for additional discussion of H.R. 2554.)

(H.A.S.C. 99-11)

H.R. 886

To amend title 10, United States Code, to ensure an orderly transition to the new educational assistance program provided under chapter 106.

H.R. 886 would have made three changes to the reserve portion of the new G.I. bill (Title VII of Public Law 98-525). First, it would have moved back the effective date from July 1, 1985, to the date of enactment of H.R. 886; second, it would have permitted attendance at non-degree-granting vocational/technical schools; and third, it would have removed the restriction limiting eligibility to those who have not attained a baccalaureate degree.

On March 19, 1985, the Subcommittee on Military Personnel and Compensation amended H.R. 752 to include the portion of H.R. 886 that would have moved back the effective date of the new reserve G.I. bill. (See "Legislation Reported but Not Enacted" for additional discussion of H.R. 752.) The committee reported H.R. 752, as amended, the following day. The bill passed the House on March 25, 1985, but was not favorably considered by the Senate.

H.R. 1179

To provided for payment to persons who served during World War II as Philippine Scouts the difference between the pay of such Philippine Scouts and the pay for the same period of other members of the Armed Forces of the United States of corresponding grades and length of service and to equalize the retired pay of such persons.

H.R. 1179 would have (1) paid the Philippine Scouts (or their survivors) the difference between the pay they received during World War II and the pay they would have received if the rates of pay had been the same as other members of the Army and (2) recomputed their retired pay to the level prescribed for other members of the U.S. Army of corresponding grade and length of service.

On April 2, 1985, the Subcommittee on Military Personnel and Compensation held a hearing on H.R. 1179 but took no further action on the bill.

Section 1438 of the fiscal year 1986 Defense Authorization Act (Public Law 99-145) directs the Secretary of the Army to study and report to Congress on the disparity in pay between the Philippine Scouts during World War II and the pay received by other members of the United States Army. (See "Legislation Enacted Into Law" elsewhere in this report for additional discussion of Public Law 99-145.)

(H.A.S.C. 99-2)

H.R. 2165

To amend title 10, United States Code, to strengthen the position of chairman of the Joint Chiefs of Staff and to provide for more efficient and effective operation of the Joint Chiefs of Staff.

H.R. 2165 would make the chairman of the Joint Chiefs of Staff the principal military advisor to the President, the Secretary of Defense, and the National Security Council. It would also create a deputy chairman of the Joint Chiefs of Staff, give the chairman complete control of the Joint Staff, establish the national military chain of command in law and provide that the chairman supervise the commanders of the combatant commands.

The Investigations Subcommittee held hearings on H.R. 2165 and three other Joint Chiefs of Staff reorganization bills on June 13, 19 and 26, 1985. Several provisions of H.R. 2165 were included in H.R. 3622, a clean bill reported by the Investigations Subcommittee. (See "Other Activities of Subcommittees" for additional discussion of Joint Chiefs of Staff reorganization and "Legislation Reported But Not Enacted" for a description and discussion of H.R. 3622.)

(H.A.S.C. 99-10)

H.R. 2265

To amend title 10, United States Code, to strengthen the position of chairman of the Joint Chiefs of Staff and to provide for more efficient and effective operation of the Joint Chiefs of Staff.

H.R. 2265 contains the provisions of the Joint Chiefs of Staff reorganization bill passed by the House in 1983 that were not enacted in the 98th Congress. The bill would specify that the national military chain of command runs from the President to the Secretary of Defense and through the chairman of the Joint Chiefs of Staff to the combatant commands. It would strengthen the chairman of the Joint Chiefs of Staff by providing that he is the supervisor of the commanders of the combatant commands; is responsible for providing military advice in his own right to the President, the National Security Council and the Secretary of Defense; and that he be a member of the National Security Council. The bill would also give the chairman increased control over the Joint Staff.

The Investigations Subcommittee held hearings on H.R. 2265 and three other Joint Chiefs of Staff reorganization bills on June 13, 19 and 26, 1985. Several provisions of H.R. 2265 were included in H.R. 3622, a clean bill reported by the Investigations Subcommittee. (See "Other Activities of Subcommittees" for additional discussion of

Joint Chiefs of Staff reorganization and "Legislation Reported But Not Enacted" for a description and discussion of H.R. 3622.)
(H.A.S.C. 99-10)

H.R. 2314

To amend title 10, United States Code, to abolish the Joint Chiefs of Staff and establish a single chief of staff for the national command authorities, to establish a national military council, and for other purposes.

H.R. 2314 would define the national command authorities as consisting of the President and the Secretary of Defense. It would abolish the Joint Chiefs of Staff and transfer the functions, powers, and duties of the Joint Chiefs and the chairman of the Joint Chiefs of Staff to a chief of staff of the national command authorities. The bill would also reconstitute the Joint Staff as the joint military staff of the national command authorities.

Under this legislation, the military chain of command would extend from the President to the Secretary of Defense through the chief of staff of the national command authorities to the commanders of the unified and specified combatant commands. Additionally, the bill would establish a national military council to (1) advise the President and the Secretary of Defense on matters pertaining to national security policy, national and military strategy, and the responsibilities of the national command authorities; and (2) make independent assessments of the manner in which national security policies and defense programs are carried out in the Department of Defense.

The Investigations Subcommittee held hearings on H.R. 2314 and three other Joint Chiefs of Staff reorganization bills on June 13, 19 and 26, 1985. The subcommittee subsequently reported H.R. 3622, a clean bill. (See "Other Activities of Subcommittees" for additional discussion of Joint Chiefs of Staff reorganization and "Legislation Reported But Not Enacted" for a description and discussion of H.R. 3622.)
(H.A.S.C. 99-10)

H.R. 2356

To limit conflicts of interest in defense procurement.

H.R. 2356 would prohibit a former officer or employee of the Department of Defense or former or retired member of the armed services from accepting compensation from a government contractor for two years following the individual's separation from government service if, during the two years preceding separation from service, such individual had significant responsibilities for a procurement function with respect to that contractor. H.R. 2356 would also require defense contractors to include in defense contracts a provision stating that the contractor agrees not to compensate such an individual.

H.R. 2356 was referred to the committee on May 6, 1985. After holding a hearing on a similar bill, H.R. 272, the Seapower and Strategic and Critical Materials Subcommittee reported H.R. 2356. H.R. 2356 was, in turn, superseded by H.R. 2554. (Additional discussion of H.R. 272 appears elsewhere in this section. See "Legislation

Reported But Not Enacted" elsewhere in this report for additional discussion of H.R. 2554.)

(H.A.S.C. 99-11)

H.R. 2710

To amend title 10, United States Code, to strengthen the position of chairman of the Joint Chiefs of Staff and reform the operation of the Joint Chiefs of Staff.

H.R. 2710 would make the chairman of the Joint Chiefs of Staff the head of the Joint Chiefs of Staff and the principal military advisor to the President, National Security Council, and the Secretary of Defense. The bill would also transfer to the chairman the functions, powers, and duties now vested in the Joint Chiefs of Staff as a corporate body. The bill would require, however, that the Joint Chiefs of Staff as a body shall provide joint advice to the President and the Secretary of Defense on matters with respect to which such advice is requested. Furthermore, any member of the Joint Chiefs of Staff who disagreed with the advice given by the chairman would be given the right to submit his opinion to the Secretary of Defense and, as appropriate, to the President.

The bill would allow the President or Secretary of Defense to streamline the national military chain of command by specifying that it run to the commanders of the unified and specified combatant commands through the chairman of the Joint Chiefs of Staff. The bill would also create a deputy chairman who would be the second-ranking military officer, act for the chairman in his absence, and become the director of the Joint Staff. The terms of both the chairman and deputy chairman would be set at four years.

With regard to the Joint Staff, the bill would remove the existing limit of 400 officers and give the chairman complete control over the staff. Finally, the bill would require that the chairman submit to the President his evaluation of officers nominated for advancement to three- and four-star rank.

The Investigations Subcommittee held hearings on H.R. 2710 and three other Joint Chiefs of Staff reorganization bills on June 13, 19 and 26, 1985. Several provisions of H.R. 2710 were included in H.R. 3622, a clean bill reported by the Investigations Subcommittee. (See "Other Activities of Subcommittees" for additional discussion of Joint Chiefs of Staff reorganization and "Legislation Reported But Not Enacted" for a description and discussion of H.R. 3622.)

(H.A.S.C. 99-10)

OTHER ACTIVITIES OF THE FULL COMMITTEE

Report to the Budget Committee

On March 15, 1985 the committee submitted a report to the Budget Committee setting out it's views regarding the budget for National Defense for fiscal year 1986. The committee noted that the President's budget request was below the budget figures for National Defense that had been agreed to by the Congress in the fiscal year 1985 budget resolution, but that if the budget resolution figures were adjusted to reflect the inflation estimates underlying the budget, the budget request was approximately equal to the budget resolution.

The committee emphasized its belief that stability in the planning of budgets for National Defense is necessary to avoid inefficiencies in the operation of the Department of Defense. The committee noted that the NATO allies in 1977 made a commitment to 3 percent annual growth in defense allocations as a reasonable and responsible goal and expressed the view that the Budget Committee should keep the NATO goal and its foreign policy implications in mind along with efficiency as it deliberates on a suitable level for National Defense.

The committee noted that the President's budget request assumed a 3 percent pay raise for military personnel effective on July 1, 1985 and a further 4 percent raise effective on January 1, 1986. The committee stated that it did not anticipate reporting legislation for a further pay raise for military personnel during fiscal year 1985, but that a pay raise in fiscal year 1986 may be necessary in order to avoid adverse effects on recruiting and retention of personnel. The committee also noted that the President's budget assumed a 5 percent pay reduction for civilian personnel and that should that reduction not be achieved, the cost of the defense function would increase by $900 million.

Finally, the committee urged that the Budget Committee ensure that the outlay target included in the Budget Resolution reflect that reductions made in the authorization and appropriations process are generally greatest in the procurement, research and development and construction accounts.

Immunity From Prosecution of P. Takis Veliotis

P. Takis Veliotis was general manager of two General Dynamics Corporation shipyards—the Quincy Shipyard from 1973 to 1977 and the Electric Boat Division from 1977 to 1980. He was executive vice president of General Dynamics Corporation and a member of the Board of Directors from 1980 to 1982. In 1983 Mr. Veliotis and several other persons were indicted in federal court in New York City on a charge of fraud against the government, stemming from ac-

tivities while he was general manager of the Quincy Shipyard. At the time of indictment, Mr. Veliotis was in his native Greece. He did not return to the United States when he was indicted nor has he returned since that time. Consequently, he is a fugitive from justice in the United States and subject to arrest if he enters this country.

After his indictment, Mr. Veliotis made several allegations against General Dynamics Corporation. Among his allegations were: (1) that the Electric Boat bid for the second flight of SSN–688 attack submarines was a buy-in and that the company expected to recoup its losses through contract claims; (2) that the shipbuilding claims filed by Electric Boat and settled by the Navy in 1978, pursuant to Public Law 85–804, were fraudulent; (3) that photographs of a Trident submarine, published in October 1982 in a "General Dynamics Third Quarter Strategic Review," were a breach of security; and, (4) that General Dynamics Corporation, in an application for a security clearance for Lester Crown, a director of the corporation, failed to disclose his earlier involvement in a criminal proceeding.

In March 1985, at a joint meeting of the Investigations Subcommittee and the Seapower and Strategic and Critical Materials Subcommittee, the subcommittee chairman announced that staff personnel would interview Mr. Veliotis concerning his allegations. During several days of interviews at his residence in Athens, Mr. Veliotis repeated his allegations and claimed to have tapes and documents that supported his allegations. He failed to produce these documents and tapes, however. He agreed to testify in a joint meeting of the subcommittee, if (1) he were granted immunity from criminal prosecution; (2) he were not questioned about his pending criminal indictment; and, (3) the hearings were held in Athens.

The procedure for granting immunity from criminal prosecution for testimony in congressional proceedings is contained in Section 6005, Title 18, United States Code. Subsection (b)(2) of that section provides that, before a United States district court can issue an order requiring a person to testify, the request for such order must be approved by an affirmative vote of two-thirds of the committee membership. On June 13, 1985, a motion by the chairman of the Investigations Subcommittee for a request to the district court to issue an order directing Mr. Veliotis to testify under a grant of immunity from criminal prosecution was made. Although the vote was 19 in favor of the motion with 12 opposed and one member voting present, the motion failed because two-thirds of the membership did not support it.

Strategic Defense Initiative

The Strategic Defense Initiative (SDI) is a research effort designed to explore the feasibility of developing and deploying comprehensive defenses against ballistic missiles. Because of its potential for far-reaching effects on U.S. security, the committee has paid particularly close attention to this research effort. In fulfilling its oversight responsibilities in this area, the committee received testimony on June 6, 1985 from John Gardner, the Director of the Systems Division, Strategic Defense Initiative Organization. In his

testimony, Mr. Gardner presented a series of briefing charts that described SDI from a technical viewpoint, as well as some of the key features of the program from a military and strategic perspective. His briefing also included some remarks on the programmatic status of the SDI effort. Following his presentation, members of the committee raised a number of topics related to SDI, including:

—feasibility of SDI to provide an effective defense against ballistic missiles;
—efficiencies in the management of the SDI research and development program;
—nuclear power and nuclear weapons use planned for SDI;
—the relationship between alternative funding levels and what research could be conducted under SDI for these various levels; and
—the relationship between defensive and offensive forces if SDI reaches fruition and ballistic missile defenses are deployed.

Environmental Restoration Panel

The Environmental Restoration Panel, a panel of the full committee, was appointed on July 29, 1985, to review the Department of Defense Environmental Restoration Program, to make recommendations on streamlining the program and to ensure compliance with the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA)—commonly known as the "Superfund Act". The immediate task of the panel was to review H.R. 1940, a bill that would clarify Department of Defense responsibilities under CERCLA. The panel reviewed this legislation because the bill raised funding and policy issues falling under the jurisdiction of at least four subcommittees.

Shortly after the panel was appointed, the Committee on Energy and Commerce reported H.R. 2817, the Superfund Amendments of 1985. In addition to reauthorizing the Superfund program, H.R. 2817 specifically addressed cleanups of toxic waste sites at federal facilities for the first time. This development affected the panel's focus and approach in two respects. First, H.R. 2817 provided a convenient and appropriate legislative vehicle for the provisions contained in H.R. 1940. Second, the nature and impact of the federal facilities provisions contained in H.R. 2817 raised a host of new policy issues to be addressed by the panel.

Consequently, the panel agreed to explore the feasibility of developing amendments to H.R. 2817 that would incorporate its recommendations with regard to environmental restoration, along with recommended changes to the federal facilities provisions. On September 26, the panel received testimony from Department of Defense and Environmental Protection Agency witnesses, along with interested members of Congress. Finally, on October 10, the panel unanimously approved an amendment to H.R. 2817 to be offered by the panel chairman, Mr. McCurdy.

On October 24, the panel reported its activities and recommendations to the full committee and solicited support for the McCurdy amendment.

Thereafter, the panel entered into extensive negotiations with the Committees on Energy and Commerce and Public Works and

Transportation, along with other interested parties, to secure the adoption of the McCurdy amendment or the incorporation of its provisions in a compromise package.

The degree and nature of state participation in toxic waste site cleanups at federal facilities was the most difficult and complicated issue with which the panel dealt. While the panel recognized the need for full and meaningful state participation in the development and selection of remedial action, including the presumption of state standards, it opposed the imposition of state permit requirements that would represent an absolute state veto on cleanup actions at federal facilities. The panel also strongly supported the requirement for reasonable federal review of state standards in the selection of remedial action by the Administrator of the Environmental Protection Agency.

After reviewing the panel's work and concerns, the Energy and Commerce and Public Works and Transportation Committees agreed to incorporate most of the panel's recommendations in substitute legislation that was considered and passed by the House on December 10, 1985.

The panel is convinced that there are no textbook solutions to the complex and difficult issue of cleaning up toxic waste sites at federal facilities. Because circumstances and conditions differ from site to site, the panel believes that the most responsible and effective solutions can only be reached through good faith negotiations by all parties. Dictated solutions or one party vetoes inconsistent with this process run the risk of remedial action that may not be environmentally sound or fiscally responsible.

Defense Policy Panel

The Defense Policy Panel, a panel of the full committee, was appointed in February 1985 to examine broad national defense policy and strategy issues.

A number of witnesses from a wide variety of sources assisted the panel in gaining a more detailed understanding of a variety of complex issues. The witnesses came from various agencies of the Executive Branch as well as from the business and education communities. The panel conducted four different series of hearings' addressing the following topics: the MX missile and the Strategic Defense Initiative, antisatellite weapons, strategies for avoiding nuclear war, and what the country has obtained for the trillion dollars spent on defense during the past four years.

MX missile and strategic defense initiative

On February 27, 28, March 12, 13, 14, and 20, the panel conducted hearings on the MX missile and the Strategic Defense Initiative (SDI). The hearings addressed how these programs in the fiscal year 1986 budget relate to overall military requirements and arms control negotiations.

Witnesses reflecting a wide range of views and backgrounds appeared before the panel: Gen. Bennie L. Davis, Commander in Chief, Strategic Air Command; Lt. Gen. James A. Abrahamson, Director of SDI Organization; Hon. Harold Brown, Former Secretary of Defense; Gen. Brent Scowcroft, Former Advisor to the President

for National Security; Hon. James Schlesinger, Former Secretary of Defense; Mr. Arkady N. Shevchenko, Former Aide to Soviet Foreign Minister Andrei Gromyko; Hon. Caspar W. Weinberger, Secretary of Defense; Ambassador Paul H. Nitze, Special Advisor to the Secretary of State for Arms Reduction Negotiations; Hon. William E. Colby, Former Director of the Central Intelligence Agency; Dr. Robin Laird, Strategic Forces and Resources Division, the Institute for Defense Analyses; Dr. Dimitri K. Simes, Soviet Foreign Policy, Carnegie Endowment for International Peace; Dr. Marshall D. Shulman, Director, W. Averell Harriman Institute for Advanced Study of the Soviet Union, Columbia University; Dr. Edward L. Warner, III, Rand Corporation; Ambassador Louis Fields, Former U.S. Representative to the Conference on Disarmament; Ambassador Raymond L. Garthoff, Former Member of SALT I Delegation; and Mr. Helmut Sonnenfeldt, Former Counselor to the Department of State.

The hearings formed the basis of the panel's recommendation to the full committee to report favorably on the resolution (H.J. Res. 180) approving the obligation of funds made available for the procurement of MX missiles by Public Law 98-473 (Defense Appropriations Act, 1985).

(H.A.S.C. 99-14)

ANTISATELLITE DEFENSE WEAPONS

The Defense Policy Panel also considered a number of questions related to antisatellite defense weapons. The panel's principal concerns were whether a vertifiable antisatellite weapons arms control arrangement in the U.S. national interest exists and, in particular, whether the United States should pursue a moritorium on the testing of antisatellite weapons against objects in space as long as the Soviets reciprocate.

In reviewing these matters, the Defense Policy Panel conducted a series of briefings on September 12 and 18, 1985. At the first session, the following briefers from outside the administration gave their views:

—Dr. Peter Sharfman, Office of Technology Assessment, who presented an analysis of options related tc antisatellite weapons and arms control, based on a soon-to be-released study by his organization;

—The Honorable Jonathan Dean, Union of Concerned Scientists, who addressed the international political and diplomatic aspects of antisatellite weapons and arms control; and

—Mr. John Pike, Federation of American Scientists, who reviewed the security and technical aspects of incorporating antisatellite weapons into an arms control regime.

The following administration witnesses testified during the second session:

—Kenneth Aldeman, Director of the Arms Control and Disarmament Agency, who addressed the feasibility of arms control regimes involving antisatellite weapons that are verifiable and in the national interest; and

—The Honorable Edward C. Aldridge, Jr., Under Secretary of the Air Force, who outlined the status of the current U.S. antisat-

ellite weapons program, as well as technical aspects related to possible arms control approaches involving antisatellite weapons.

AVOIDING NUCLEAR WAR

On June 11, the panel conducted a hearing on the causes of nuclear war and on policy actions that might be taken to reduce the possibility that a nuclear war might occur or escalate. In an effort to highlight those areas of policy on which mutual agreement exists and to create a framework within which to discuss those areas on which disagreement exists, the following witnesses provided testimony and discussion: Dr. Graham T. Allison, Dean, Dr. Albert Carnesale, Academic Dean, and Dr. Joseph S. Nye, Jr., professor of government and public policy, Harvard University's John F. Kennedy School of Government; Dr. Jeremy J. Stone, Director, Federation of American Scientists; and Gen. Brent Scowcroft, former National Security Advisor.

(H.A.S.C. 99–15)

WHAT HAVE WE GOT FOR A TRILLION DOLLARS?

The Defense Policy Panel also held hearings to review the Administration's defense buildup of the last four years and to ask the question, "What have we got for a trillion dollars?" Witnesses included Rudolph G. Penner and Robert F. Hale, Congressional Budget Office; John Collins, Congressional Research Service, and a panel comprised of Graham T. Allison, Dean, John F. Kennedy School of Government at Harvard University; Rear Admiral Gene R. LaRocque, Director, Center for Defense Inforamtion; and Edward M. Luttwak, Senior Fellow, Center for Strategic and International Studies at Georgetown University.

Grace Commission Panel

The 10-member Grace Commission Panel, appointed on March 11, 1985, began hearings in December, 1985, on the recommendations made by the President's Private Sector Survey on Cost Control (PPSSCC), commonly known as the Grace Commission. Of the almost 2,500 recommendations made by the Grace Commission, more than 350 fall within the jurisdiction of the committee.

The panel initiated its work by reviewing more than 100 recommendations dealing with acquisition reform. Witnesses at panel hearings included J. Peter Grace, Chairman, Grace Commission; George Sylvester, retired Air Force lieutenant general and independent consultant; Frank C. Conahan, General Accounting Office; and Alton "Rick" Berquist, chief executive officer of Marmen Computing Corp.

Delegation Visits

LATIN AMERICA

A delegation composed of seven members from the House Armed Services Committee and two other committees of the House of Representatives visited Latin America during the period April 5

through April 12, 1985, to review security-related matters and to observe the participation of U.S. Army National Guard units in military and engineering exercises in Central America. The delegation visited Venezuela, Ecuador, Panama, Costa Rica, Honduras, El Salvador, and Belize. The delegation also visited the Air National Guard Training Site and the Army Aviation Classification Activity Repair Depot during a refueling stop in Gulfport, MS.

During the trip, the delegation met with high-level host nation military and civilian officials and with U.S. ambassadors and embassy personnel to discuss bilateral and multilateral issues. One of the highlights of the trip was a meeting with President Jose Napolean Duarte of El Salvador.

The members of the delegation agreed that their visit to these strategically important countries provided an opportunity to review first hand the nature and the magnitude of the security threats to the region, to learn the internal economic and political factors that influence individual countries, and to better understand U.S. political and economic strategies designed to promote stability and security in the Western Hemisphere.

(Committee Print 5)

ITALY, TURKEY, AND FRANCE

A delegation of 12 members visited Italy, Turkey, and France during the period May 23 to June 4, 1985. The delegation included one member who serves on the Merchant Marine and Fisheries and Public Works and Transportation Committees.

The purpose of the delegation visit was to visit U.S. military installations in Italy and Sixth Fleet ships in the Mediterranean area.

In Turkey, the delegation met with Turkish government and military leaders and visited U.S. and Turkish military installations. The discussions with Turkish government officials focused on the then pending genocide resolution, the prospects for greater cooperation within the NATO alliance, air defense, increased allied support for NATO, the readiness status of U.S. troops committed to NATO, the improvement of NATO's conventional arms, the response to the Soviet Warsaw Pact threat, and the ability of the United States to meet its commitments to NATO.

In France, the delegation met with senior officials of the French Ministry of Defense to discusss the European perspective on the Strategic Defense Initiative and the capabilities of the French armed forces. Additionally, the delegation visited the Paris Air Show Exposition to examine the latest European developments in armaments, aircraft sensors, and avioinics equipment, and to observe demonstrations of U.S. and European aircraft.

The following is a list of the primary officials with whom the delegation met:

Italy—Vice Admiral Frank Kelso, USN, Commander, U.S. Sixth Fleet;

Turkey—Prime Minister Turgut Ozal; U.S. Ambassador Robert Strausz-Hupe; Minister of Foreign Affairs, Vahit Halefoglu; Minister of Defense, Zeki Yavuzturk; and

France—Henri Conze, Deputy Director International Affairs, French Embassy.

NORTH AFRICA, IBERIA, AND YUGOSLAVIA

A delegation of ten committee members visited North Africa, Iberia and Yugoslavia during the period August 2-16, 1985. The delegation met with senior foreign and United States Government and defense officials in the countries of Yugoslavia, Tunisia, Morocco, Algeria, Spain and Portugal.

The purpose of the visit was to assess the political, economic and national security developments of the Mediterranean Basin. In particular, the delegation sought to obtain firsthand information and strengthen relations with the leadership of two principal countries of the non-aligned movement, Yugoslavia and Algeria. In addition, the delegation discussed the prospects for Spain's continued membership in the North Atlantic Treaty Organization with Spanish officials.

GREECE, CYPRUS, CRETE, AND TURKEY

A delegation of committee members visited the Eastern Mediterranean from August 5 through August 13, 1985 to review the military and political situation in Greece, Cyprus, Crete and Turkey.

In Greece the delegation received briefings from the U.S. ambassador, members of his country team and U.S. military personnel on the mission and problems encountered by U.S. military forces stationed at Hellenikon Air Base, Elefsis Army Station, and Nea Makri Naval Base. The delegation also met with Prime Minister Andreas G. Papandreau, Deputy Minister of Foreign Affairs Yannis Kapsis, and Mr. Constantine Mitsotakis, leader of the New Democracy Party.

In Crete the delegation was briefed on operations of the Souda Bay Naval Base and Iraklion Air Base.

In Cyprus the delegation met with the U.S. charge d' affaires and embassy officials. The delegation also met with Mr. George Ladas, Acting President of the Cypriot House of Representatives; Mr. George Iacovou, Minister of Foreign Affairs; Mr. Constantinos Michaelides, Minister of the Interior; and Mr. Hakki Atun, President of the Turkish Republic of the Northern Cyprus Assembly.

In Turkey the delegation visited military installations at Incerlik, Sinop and Cakmakli, as well as the NATO headquarters installation at Izmir. Officials with whom the delegation met included the U.S. Ambassador and members of his country's team; Mr. Zeki Yavuzturk, Turkish Minister of Defense; Gen. Husnu Celenkler, Deputy Minister of Defense; and Lt. Gen. Sabri Yirmibesoglu, Chief of Staff for Operations.

(Committee Print 8)

SWITZERLAND AND AUSTRIA

A delegation of committee members visited Geneva, Switzerland, and Vienna, Austria, during the period of September 22-26, 1985. The delegation, consisting of members of the Special Panel on Arms Control and Disarmament of the Subcommittee on Procure-

ment and Military Nuclear Systems, met with the U.S. Delegation to the Negotiation on Nuclear and Space Arms in Geneva and U.S. and NATO Representatives to the Mutual and Balanced Force Reductions (MBFR) Talks and the U.S. Representative to the United Nations System Organizations, Vienna.

The purpose of the panel's visit was to observe and discuss current U.S.-Soviet arms control negotiations on nuclear and space arms and to review the status of negotiations on the MBFR. The panel's visit to Vienna also provided members an opportunity to review the work of the International Atomic Energy Agency on nuclear nonproliferation efforts. (See additional discussion of the activities of the Special Panel on Arms Control and Disarmament elsewhere in this report).

UNITED KINGDOM, BELGIUM, FEDERAL REPUBLIC OF GERMANY, AND FRANCE

A committee delegation including six other members visited the United Kingdom, Belgium, West Germany and France during the period November 8 to 12, 1985.

The purpose of the visit was to review with European parliamentarians Soviet arms control violations and their effect on the summit and on the second round of Geneva Arms Control talks. The delegation briefed their European counterparts on technical details of non-compliance.

The following list of major officials with whom the delegation met indicates the scope of the delegation's activities:

United Kingdom—Right Honorable John Stanley, Minister of State for the Armed Forces; Gerald Frost, Director of the Institute of European Defense and Strategic Studies.

Belgium—Senator Robert Close; Deputy A. deDecker; Professor Boudewijn Bouckaert, University of Ghent; Paul Schoenmaeckers, Director of Belgian Atlantic Association.

Federal Republic of Germany—Ambassador Richard Burt, Dr. Lothar Ruehl, State Secretary of the Defense Ministry; the entire Defense Committee of the Bundesthe.

Paris—Hubert Vedrine, Diplomatic Advisor to the President; Madame Isabel Renouard, Deputy Political Director of the French Foreign Ministry.

FOREIGN DELEGATION VISITS TO THE COMMITTEE

NORTH ATLANTIC ASSEMBLY SUBCOMMITTEE ON DEFENSE COOPERATION

On January 24, 1985, the committee met with the Defense Cooperation Subcommittee of the North Atlantic Assembly to discuss burdensharing, the Nunn amendment, cooperative defense efforts/two-way street, rolling airframe missile, the Strategic Defense Initiative, ground-launched cruise missile basing and technology transfer. The North Atlantic Assembly delegation was composed of Mr. Patrick Duffy, Sir Patrick Wall, Mr. Allan F. McKinnon, Mr. Peter Petersen, Mr. Erwin Horn, Mr. Jose Lello, Mr. Martino Scovacricchi, Mr. Severino Fallucchi, Mr. Louis Darinot, Mr. Bo Kristensen, Mr. Thijsvan Vlijmen.

ITALIAN DEFENSE MINISTER

On January 24, 1985, the chairman set with Defense Minster Giovanni Spadolini of Italy for a discussion of matters of mutual concern.

SPANISH MEMBERS OF PARLIAMENT

On February 8, 1985, the committee met with a delegation representing the Defense and Foreign Affairs Committees of the Spanish Parliament. The meeting focused on the participation of Spain in the NATO alliance; the need for improved military cooperation; and the Strategic Defense Initiative.

BRITISH SECRETARY OF STATE FOR DEFENCE

On February 21, 1985, the committee met with British Secretary of State for Defence, Mr. Michael Heseltine, and his delegation to discuss the British Official Secrets Act, allied defense spending in support of NATO, and British/U.S. bilateral defense security relations. In addition to Mr. Michael Heseltine, the delegation was composed of Mr. Richard Mottram, Mr. Stephen Band, and Air Vice Marshall Don Dick.

EUROPEAN ATLANTIC ALLIANCE MEMBERS

On March 26, 1985 the committee met with a delegation of European members from the Atlantic Alliance to discuss defense burdensharing, the European perspective on the Nunn amendment, the existence of the European pillar of the Alliance, and the two-way street. The European delegation was composed of Ambassador at Large Erdil K. Akay, Turkey; Mr. Joris Michael Vos, the Netherlands; General Sir Thomas Morony, United Kingdom; Mr. Detlev Graf zu Rantzau, Federal Republic of Germany; and Ambassador J. Raoul Schoumaker, Belgium.

BRITISH HOUSE OF COMMONS SELECT COMMITTEE ON DEFENCE

On March 28, 1985, the committee met with a delegation of members from the British House of Commons Select Committee on Defence to discuss the European response to the Nunn-Roth amendment, the two-way street, the Strategic Defense Initiative, the British military operation in the Falkland Islands, the proposed acquisition of Mobile Subscriber Equipment for the Army, and Greece/Turkey relations. The British delegation was composed of The Right Honorable Sir Humphrey Atkins, Mr. Winston Churchill, Mr. Dick Douglas, The Right Honorable Dr. John Gilbert, Mr. Bruce George, Mr. Edward Leigh, Mr. Ken Maginnis, Mr. Michael Mates, Mr. Michael Marshall, Mr. Keith Speed, and Mr. Neil Thorne.

DEFENSE MINISTER OF THE FEDERAL REPUBLIC OF GERMANY

On April 1, 1985, the committee met with Dr. Manfred Woerner, Federal Minister of Defense of the Federal Republic of Germany, to discuss the Nunn-Roth amendment, the two-way street, NATO Cooperative Programs, NATO follow-on forces attack of second eche-

lon Soviet Union/Warsaw Pact forces, the Strategic Defense Initiative, and deployment of the Pershing II missile. The German delegation was composed of Dr. Manfred Woerner, Mr. Matthias Wissmann, Dr. Hans Ruhle, Brigadier Gen. Klaus-Christoph Steinkopff, Mr. Gerhard Henze, and Mr. Hans Theodor Wallau.

SWISS FEDERAL COUNCILLOR AND HEAD OF SWISS MILITARY DEPARTMENT

On April 2, 1985, the committee met with Messr. Jean-Pascal Dalamuraz, Federal Councillor and Head of the Swiss Military Department, to discuss arms control and arms coproduction, Swiss neutrality, and bilateral U.S.-Swiss relations. In addition to Messr. Jean-Pascal Delamuraz, the Swiss delegation was composed of Messr. Charles Grossenbacher, Messr. Klaus Jacobi, Messr. Hans-Ulrich Ernst, Messr. Daniel Margot, Messr. Heinz Haesler, Messr. Rene Huber, Messr. Heinrich Maendli, Messr. Ernesto Meyer, and Messr. Werner Kaelin.

MINISTER OF DEFENSE OF TURKEY

On April 30, 1985, the committee met with the Minister of Defense of Turkey, Mr. H.S. Zeki Yavuturk, to discuss the status of the Turkish armed forces, Turkey's role in NATO's southern flank, and other issues of mutual interest. Also discussed was the pending visit by a committee delegation to Turkey during May, 1985. (See "Delegation to Italy, Turkey and France" elsewhere in this report.) The Defense Minister encouraged the members to visit several Turkish military installations and the F-16 co-production facility while visiting Turkey.

KINGDOM OF MOROCCO PRIME MINISTER

On July 31, 1985 the committee met with Mr. Mohammad Karim-Lamrani, Prime Minister of the Kingdom of Morocco, to discuss the current military situation and capabilities in Morocco, with special emphasis on the war in the Western Sahara. One of the major discussion items was the status and meaning of the Oujda Accord, more commonly known as the agreement between Morocco and Libya signed in August, 1984. Also discussed was the pending committee delegation visit to Morocco and other Mediterranean Basin countries during August, 1985. (See "Delegation to North Africa, Iberia and Yugoslavia" elsewhere in this report.)
(Committee Print 7)

ARGENTINE HOUSE OF DELEGATES

On September 9, 1985, the committee met with a delegation representing the Defense Committee of the Argentine House of Delegates. Issues discussed included the role of the House Armed Services Committee in the Defense authorization process and the military reforms of the Alfonsin government.

FEDERAL REPUBLIC OF GERMANY DEFENSE COMMITTEE

On September 17, 1985, the committee met with Mr. Alfred Biehle, Chairman of the Defense Committee of the Federal Repub-

lic of Germany to discuss the Strategic Defense Initiative, the deployment of binary chemical weapons in Europe, allied troop withdrawal from Germany, and arms cooperation. The German delegation was composed of Mr. Alfred Biehle, Mr. Bruno Wiefel, Mr. Markus Berger, Dr. Olaf Fedlman, and Mrs. Katrin Fuchs.

HIS ROYAL HIGHNESS PRINCE PHILIPPE OF BELGIUM

On October 1, 1985 members of the House Armed Services Committee staff met with His Royal Highness Prince Philippe of Belgium to discuss the operation and function of the committee. Prince Philippe was accompanied by Col. Mertens, Mr. Wilfried Nartus and Mr. Alexis Reyn.

FOREIGN ECONOMIC RELATIONS COMMITTEE OF YUGOSLAVIA

On October 16, 1985 the committee met Dr. Miran Majak, Chairman of the Foreign Economic Relations Committee of Yugoslavia and his delegation to discuss Yugoslavian-U.S.S.R. relations, the U.S.-Yugoslavian cooperative relationship, international terrorism, the hijacking of the *Achille Lauro*, military training in Yugoslavia of U.S. National Guard and Reserve forces, and the acquisition of U.S. military equipment. Dr. Majak was accompanied by Mr. Vasilije Radic, Mr. Trpe Jakovlevski, and Mr. Dusan Gligorijevic.

ISRAELI DEFENSE MINISTER

On November 15, 1985, the committee met with Israeli Defense Minister Yizdhak Rabin. Topics of discussions included the reduction in the Israeli defense budget, possible U.S. arms sales to Jordan, terrorism, U.S. aid to Israel, the recent crisis in the Israeli cabinet, and other concerns in the Middle East.

CANADIAN STANDING COMMITTEE ON EXTERNAL AFFAIRS IN NATIONAL DEFENSE

On December 3, 1985, the committee met with members of the Canadian Standing Committee on External Affairs in National Defense to discuss the modernization of the North American Aerospace Defense Command (NORAD) air defense system, the U.S.-Canadian role in NATO, defense trade and the U.S. Strategic Defense Initiative. The Canadian delegation was composed of the following: William Winegard, Chairman; Richard Grise, Rob Nicholson, Robert Wenman, John Oostrom, David Daubney, Bob Hicks, John Reimer, Jean Gery Guilbault, Don Ravis, Len Hopkins, Derek Blackburn, and Pauline Jewett.

SECRETARY OF DEFENSE OF ARGENTINA

On December 13, 1985, the committee met with Dr. Jose Horacio Juanarena, Secretary of Defense of Argentina. As the first democratic regime in a number of years, the government of Argentina is emphasizing the establishment of lasting civilian control of the armed forces. The discussion focused on how civilian control is maintained in the United States.

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OTHER ACTIVITIES OF SUBCOMMITTEES

INVESTIGATIONS SUBCOMMITTEE

In fulfilling its investigative and oversight responsibilities, the Investigations Subcommittee has under continuous study selected activities of the Department of Defense and a wide range of subjects brought to its attention by a number of sources, including Members of Congress, the General Accounting Office (GAO) and concerned citizens. In addition, the subcommittee has responded to inquiries by Members of Congress who have requested assistance in matters within the scope of the subcommittee jurisdiction.

In 1985 the subcommittee investigated 180 cases and examined 40 reports of the General Accounting Office falling within the subcommittee's responsibility. Most of this casework was resolved without the requirement for hearings or formal reports. However, during the first session of the 99th Congress, the subcommittee conducted hearings to examine the current status of obsolete chemical munitions and to look at alternatives for disposing of those items; to examine the readiness of military medicine; to examine the security issues involving the release of classified Trident submarine photographs to unauthorized personnel, the security clearance provided to Lester Crown of the General Dynamics Corporation, and the 10-percent reduction in industrial security clearances required of defense contractors by the Department of Defense; and to examine the reorganization of the Joint Chiefs of Staff. The Investigations Subcommittee met in joint session with the Seapower and Strategic and Critical Materials Subcommittee to review the allowable costs in overhead submissions of defense contractors; to examine post-employment conflict of interest of government employees (revolving door); to consider H.R. 272, a bill to amend the Defense Production Act of 1950; and to receive testimony on the Navy ship-procurement process, including a review of the status of the settlement of the 1978 shipbuilding claims of Electric Boat Division of General Dynamics Corporation. The subcommittee also received executive session briefings on the status of military assistance programs for El Salvador and Honduras; alleged Department of Defense possession of information relating to military personnel missing in action/prisoners of war in Southeast Asia; and U.S. military aid to the Philippines. The subcommittee held hearings to consider the following legislation: H.R. 2397, The Allowable Cost Reform Act; H.R. 2265, a bill superseding H.R. 3622, to reorganize the Joint Chiefs of Staff; and H.R. 272, to amend the Defense Production Act of 1950. The subcommittee considered H.R. 272 during a joint session with the Seapower and Strategic and Critical Materials Subcommittee.

Legislative actions of the subcommittee are discussed elsewhere in this report.

Studies that warranted full-scale examination are discussed below.

JOINT CHIEFS OF STAFF REORGANIZATION

The Investigations Subcommittee reported H.R. 3622, the Joint Chiefs of Staff Reorganization Act of 1985, on September 11, 1985. The bill would strengthen the position of chairman of the Joint Chiefs of Staff (JCS) and provide for more efficient and effective JCS, Joint Staff, and combatant command operation. (See "Legislation Reported But Not Enacted" for additional discussion of H.R. 3622.) The committee reported the bill on November 14, 1985 and the House passed it on November 20, 1985.

During the 97th Congress, attention was focused on the JCS structure when Gen. David C. Jones, then chairman of the Joint Chiefs of Staff, voiced his concern about basic shortcomings in the JCS organization in a February 3, 1982 hearing before the committee. He stated that he intended to submit proposals to correct those shortcomings and would work to achieve their acceptance in the remaining months of his tenure and thereafter. Subsequently, Gen. Edward C. Meyer, Army Chief of Staff, joined General Jones in criticizing the present structure and recommended additional changes.

As part of its investigation into JCS reorganization, the subcommittee heard testimony from more than 40 witnesses, including the chairman and all current members of the Joint Chiefs of Staff, former secretaries of defense, former deputy secretaries of defense, former chairmen and members of the Joint Chiefs of Staff, former directors of the Joint Staff, commanders of unified commands, and other civilian and military witnesses.

Although the subcommittee found overwhelming agreement that organizational problems hamper the performance of the present organization, it received differing views on what, if anything, should be done to correct existing deficiencies. The recommendations ranged from leaving the current organization unchanged to replacing it with a single Chief of Staff who would (1) head a joint military staff and (2) act as the military advisor to the President, the National Security Council, and the Secretary of Defense.

Despite passage of a JCS reorganization bill in the House, the legislation died in the Senate during the 97th Congress, partly because of the absence of an expressed Administration position.

In 1983 the Administration developed a position and submitted a legislative proposal to the 98th Congress. The subcommittee held hearings on the proposed JCS legislation and received testimony from each member of the Joint Chiefs of Staff and two former JCS chairmen. Subsequently, the subcommittee reported a bill that responded to the Administration recommendations but retained many elements of the bill passed by the House during the 97th Congress. As in the 97th Congress, the committee reported the bill and the House passed it.

The Senate Committee on Armed Services held a series of hearings in 1983 on Department of Defense (DOD) organization during which the House-passed bill was considered as a part of its overall examination of this subject. Although the Senate took no further

action on DOD organizational matters, several provisions of the House bill were enacted as a part of the fiscal year 1984 Department of Defense Authorization Act.

In 1985 four JCS reorganization bills were referred to the subcommittee. (See "Legislation Considered But Not Reported" for discussions of H.R. 2165, H.R. 2265, H.R. 2314 and H.R. 2710.) The subcommittee received testimony from Members of Congress, the Secretary of the Navy, a former Secretary of Defense, the author of the Heritage Foundation Defense Assessment Project Report, and the chairman of the Defense Organization Project of the Georgetown University Center for Strategic and International Studies. In addition, formal statements were received for the record from the Secretary of Defense and the chairman of the Joint Chiefs of Staff.

H.R. 3622, the bill reported by the subcommittee at the conclusion of its 1985 hearings, although more far-reaching in strengthening the chairman of the Joint Chief of Staff, nevertheless retains many elements of the bills passed by the House during the 97th and 98th Congresses.

(H. Rept. 99-375; H.A.S.C. 99-10)

MILITARY ASSISTANCE PROGRAM FOR EL SALVADOR AND HONDURAS

When the Investigations Subcommittee visited Central America in July 1984, a number of questions related to the U.S. military assistance program surfaced. In its trip report, the delegation expressed concern about the quality and timeliness of U.S. support for the Salvadoran helicopter fleet. It also raised a question with regard to the tradeoff between expensive howitzers and inexpensive mortars as appropriate weapons for the type of war being waged in El Salvador.

Subsequent to the trip, the Investigations Subcommittee requested that the General Accounting Office (GAO) initiate an inquiry into the military assistance program in Central America. On October 4, 1984, March 21, 1985 and October 16, 1985, GAO investigators provided the subcommittee with classified briefings on the U.S. military assistance program. Among the topics covered were security assistance to El Salvador and Honduras, joint exercises and other U.S. military activities in Central America, the exclusion of Salvadorans from the Regional Military Training Center in Honduras, and expansion of the training center at La Union, El Salvador.

OBSOLETE CHEMICAL MUNITIONS AND ALTERNATIVES TO DISPOSAL

On March 13, 1985 the subcommittee received testimony on the proposed disposal of obsolete chemical munitions. Although the United States has not produced chemical weapons since 1969, a substantial inventory of chemical munitions exists today. Many of these munitions, manufactured in the 1950s and 1960s, are now approaching the end of their shelf life; they are deteriorating; or they are obsolete. Some of the munitions are developing leaks. The Army as executive agent must isolate the leaker, remove the chemical agent, and then destroy the shell. Over the past several years the Army has been studying various alternatives to destruction. In light of language in the fiscal year 1986 Defense Authorization Act which mandates that the existing unitary stockpile must be de-

stroyed by 1994, coinciding with production of the new binary chemical weapon, the Army is currently examining methods of destruction that will allow them to meet its deadline. The disposal procedure must also conform to environmental legislation. Currently, the existing stockpile is located at eight continental United States sites, Johnston Island in the Pacific, and one European location.

The subcommittee heard testimony from Rep. Beryl Anthony (D.-Ark.), Army witnesses, and two witnesses from the Lexington-Bluegrass, Kentucky area who presented their views on the situation at that depot.

(H.A.S.C. 99-5)

INVESTIGATION OF ALLOWABLE COSTS

In a March 14, 1985 hearing, the issue was raised whether General Dynamics' indirect cost submissions, which included unallowable costs, were typical of the practices in the defense industry as a whole. Deputy Secretary William H. Taft IV, stated that "these types of charges were unusual, that General Dynamics had submitted more unallowable claims and had been less cooperative with the department in identifying, in advance, its own unallowable claims than other contractors have been.* * * My impression is that the instances that came to light in the General Dynamics case are * * * extraordinary."

As a follow-up to the hearing, the subcommittee chairman directed the staff to conduct a review to determine the extent to which unallowable costs were being submitted to the government by defense contractors and to evaluate the effectiveness of the process for resolving disputes about those costs. A team of 14 auditors from the Defense Contract Audit Agency (DCAA) and the General Accounting Office (GAO) were assembled to review the following defense contractors:

—General Dynamics Corporation, St. Louis, Missouri;
—Sperry Corporation, New York City, New York;
—Newport News Shipbuilding and Dry Dock Company, Newport News, Virginia;
—Textron, Inc., Providence, Rhode Island;
—McDonnell Douglas Corporation, St. Louis, Missouri;
—Rockwell International Corporation, Pittsburgh, Pennsylvania; and
—The Boeing Company, Seattle, Washington.

For the period examined, the seven contractors submitted a total of $4,276,777,900 of indirect costs subject to being allocated to government contracts. Of that total, $109,819,726 was questioned and challenged as unallowable. Sixty-three percent of the costs challenged was sustained or upheld while 37 percent was denied by the administrative contracting officers.

Other findings of the audit were:

—The process for settling contractor indirect cost submissions is extremely slow (five years on the average);
—As a percentage of the total submission, costs questioned by DCAA for these corporate divisions ranged from .01 percent for

Testron's Bell Aerospace operations to 21 percent for McDonnell Douglas' corporate office; and

—DCAA auditors questioned or challenged 2.6 percent of the total contractors' indirect cost submissions; $4,207,860,131 or approximately 98 percent of the total submissions was allowed for allocation to government contracts.

The challenged or questioned costs were analyzed and broken down into certain categories. For example, the analysis showed that $4 million in advertising charges; $7.9 million in air shows, promotions, models and giveways; $3.1 million in entertainment expenses; $538,707 in first-class air fares; $284,156 in lobbying costs; and $3.6 million for expenses associated with foreign selling costs were unallowable.

Although only 2.6 percent of the costs submitted were questioned, $110 million in questioned costs is significant. Although defense contractors are aware of the cost principles incorporated in every contract and contained in federal procurment regulations some contractors become creative in allocating and accumulating costs. For example, "entertainment" becomes "public relations," and "air shows" become "selling expenses."

Because company officials know that entire submissions will not be audited given limited DCAA personnel resources, there is little incentive for not submitting a cost element. The larger the submission, the more costs (be they allowable, gray or unallowable) included, the greater the profits to the company if the costs are not challenged by the auditor. There are no penalties and even if the item if disallowed, it costs the company nothing. The burden of proof rests squarely on the government.

The investigation determined that existing Federal Acquisition Regulators/Defense Acquisition Regulations (FAR/DAR) are often ambiguous and contain numerous exceptions that allow different interpretations of what is allowable. If a contractor believes a specific cost item is subject to interpretation, the contractor will generally include the cost in the overhead submission. In performing their reviews, auditors apply the FAR/DAR criteria, often arrive at different interpretations, and question the cost. If the contractor does not agree, the questioned cost will be introduced into the negotiation process for determination by the administrative contracting officer.

The DCAA auditors have met various levels of resistance by both contractors and contracting officers in attempting to obtain needed access to contractor records and data. This resistance to access includes: (1) outright refusal by contractors, (2) unilateral determinations by some contracting officers, (3) agreements betwen contractors and contracting officers that limit the scope of audits, and (4) excessive delay by contractors in providing data.

Conclusions reached as a result of the investigation were:

—Appropriate sections of the FAR and DAR must be clarified to eliminate the ambiguities that permit such a wide range of determinations among defense contractors, the DCAA, and government contracting officers;

—An expedited procedure should be developed for revising acquisition regulations to ensure that needed revisions can be made in a more timely manner;

—The process for negotiating and settling indirect costs that have been questioned by government auditors must be changed. Contracting officers should be required to settle disputed overhead submissions in the same manner as they were challenged in the audit, that is, on an item-by-item basis.

—Because contractors repeatedly submit bills for items that clearly are not allowable for allocations to government contracts, penalties must be imposed to ensure that companies either take their responsibilities seriously or pay the costs associated with their actions; and

—Adequate documentation by companies is essential for determining whether a specific item should be submitted to the government. Government auditors and contracting officers also require adequate contractor documentation to substantiate the company's claim. The burden of proof currently rests with the government, and contractors know this. All too often documentation is not available when the auditor starts his task. Companies must submit their claims within 90 days after the end of the fiscal year. If a claim is not supported by adequate documentation at that time, the cost should become unallowable and not subject to negotiation.

The subcommittee sought to correct these deficiencies in H.R. 2397, the Allowable Cost Reform Act. (See "Legislation Reported But Not Enacted" elsewhere in this report for additional discussion of H.R. 2397.)

PRISONERS OF WAR/MISSING IN ACTION (POW/MIA)

A lawsuit filed in Federal District Court in Fayetteville, North Carolina, by a Medal of Honor awardee, a former prisoner of war, and a Green Beret sergeant, raised interest concerning the possibility of live POWs still in captivity in Laos and Vietnam. The lawsuit seeks to compel the President to demand the release of "living American prisoners of the Vietnam War, presently held in captivity by a foreign government." The plaintiffs also charged that information they possessed while on active duty with the Special Forces in Korea was not accepted by the military and that the Defense Intelligence Agency actively covered up information indicating that POWs remain in captivity.

On October 10, 1985, the subcommittee received testimony in executive session from representatives of the Defense Intelligence Agency and the Army on thier continuing efforts to investigate information received on POWs and MIAs.

PROTECTION OF NATIONAL SECURITY INFORMATION

On September 26 the Investigations Subcommittee held a hearing to examine three separate issues relating to national security and the protection of classified information; i.e., General Dynamics' publication of an internal report that contained photographs of the interior of a Trident submarine; an application for a security clearance for Lester Crown, a director of General Dynamics Corporation; and the Department of Defense effort to reduce by 10 percent the number of persons holding security clearances.

Trident photographs

During subcommittee staff interviews, P. Takis Veliotis, a former vice president and member of the Board of Directors of the General Dynamics Corporation, reported that in February 1983, after he had terminated his employment with General Dynamics Corporation, and after his security clearance had been terminated, he was given a copy of a "Third Quarter 1982 General Dynamics Strategic Review" which contained 12 photographs of the interior and cross-section of a Trident submarine. Mr. Veliotis believed that the photographs should have been classified because they could cause damage to the U.S. strategic submarine program.

The director of the Defense Investigative Service testified that an examination revealed that certain quarterly reviews prepared by Electric Boat Division of General Dynamics Corporation were neither marked nor protected as classified. Rather than classify the photographs, he testified that Electric Boat marked them as "For Official Use Only" without an appropriate classification review.

The general manager of Electric Boat testified that he did not believe the photographs were required to be classified because they were intended for internal use by officers and employees of the corporation and not for release to the public. He testified that 17 to 20 copies of the report were prepared and distributed to key officers of the corporation at the quarterly review meeting. He added that he had not provided a copy of the report to Mr. Veliotis and did not know who had. He also testified that, since February 1985 when the Navy criticized the use of these photographs, every Trident picture has been classified.

Lester Crown security clearance

The Crown family controls approximately 23 percent of the common stock of General Dynamics Corporation. In 1972 Mr. Lester Crown was president of Material Services Group, a subsidiary of General Dynamics Corporation. He was elected to the General Dynamics Board of Directors on April 5, 1972. That position required access to classified material; consequently, on May 12, 1972, he applied for a secret clearance. On July 31, 1974 a top secret clearance was granted to Mr. Crown. The file contains no explanation for the delay in granting the clearance or why a top secret clearance was granted when a secret clearance had been requested.

During the summer of 1973 a federal grand jury in Chicago began an investigation of alleged bribery of Illinois state legislators to influence passage of legislation dealing with ready-mix concrete trucks. The grand jury investigation developed evidence that Mr. Crown had furnished $23,000 of his personal funds to influence the legislation. It also found that Material Services Corporation employees had submitted inflated expense accounts for which they were paid, and that those funds were delivered to Mr. Crown to reimburse him for the personal funds he had used for the bribery scheme. Mr. Crown was given transactional immunity and compelled to testify before the grand jury on April 3, 1974. An indictment was returned on December 3, 1974, which named Crown as an unindicted co-conspirator in the scheme. He testified at the 1976 trial of the indictment at which several defendants were convicted.

Contrary to defense industrial security regulations, neither Mr. Crown nor General Dynamics Corporation notified the Department of Defense of his involvement in the criminal conspiracy. In April 1982, Mr. Crown sought a concurrent security clearance with Trans World Airlines. On that application he reported that he had entered into a consent decree with the Securities and Exchange Commission in 1977 to correct General Dynamics proxies filed in 1974, 1975 and 1976. Those proxies had failed to disclose completely Mr. Crown's involvement in the 1972 bribery scheme. In February 1983 the Defense Industrial Security clearance officer determined that Mr. Crown's security clearance should be continued.

A Department of Defense witness testified that in February 1985 the Secretary of Defense directed that an investigation be conducted to determine whether Mr. Crown's security clearance should be revoked. The investigation covered the period 1972 to the present. The witness testified that on September 18, 1985, Mr. Crown was notified by the Department of Defense that proceedings to revoke his access to classified information were being initiated. Those proceedings are pending at this time.

Ten percent reduction in individual security clearances

On June 10, 1985 the Secretary of Defense directed an across-the-board 10 percent reduction in the number of security clearances both in the Department of Defense and in industry. This reduction was to be accomplished by October 1, 1985. The Secretary also directed that requests for new investigations for security clearances by reduced by 10 percent from fiscal year 1984 levels. This directive came partially as a result of the Walker-Whitworth spy cases.

Defense Department witnesses testified that the purpose of the directive was to reduce the number of contractor, military and civilian personnel of the Department of Defense who hold security clearances and who were being proposed for such clearances. The testimony reflected that a reduction of approximately 8 percent had been achieved as of September 15, and that it appeared there would be no difficulty in attaining the 10 percent objective by October 1. At the time of the hearing the Navy had actually reduced its clearance by 26 percent and officials believed that the Navy could attain the 50 percent reduction which had been directed by the Secretary of the Navy.

The witnesses testified that the Department of Defense recognized the problem faced by small defense contractors in achieving the reduction objective. They testified that there would be enough flexibility in implementation of the plan to accommodate small contractors and to permit performance of contracts in a timely manner.

THE QUALITY OF MILITARY HEALTH CARE AND THE CONDITION OF MILITARY MEDICAL READINESS

The subcommittee has been concerned about the quality of military health care for more than two years. Following a 1983 request by the subcommittee chairman to the Secretary of Defense that a thorough examination of all Department of Defense medical organizational activities be conducted by the Department of Defense In-

spector General (IG), the IG published a report confirming that many changes were required to improve the quality of military health care. Despite some progress, incidents continued to surface in 1984 and 1985 that indicated a need for redoubled efforts to ensure the quality of care in the military medical system.

In 1985 the capability of the military medical organizations to perform their duties in wartime also became an issue. A Department of Defense report that reviewed the medical care of casualties in the aftermath of the October 1983 Beirut bombing of the Marine encampment concluded that "the U.S. European Command lacks a comprehensive, integrated plan for providing care to victims of terrorist attacks." The report also concluded that "today the U.S. European Command has neither adequate medical readiness resources nor effective joint plans for the resources it has."

On September 18, 1985 the subcommittee heard testimony on the quality of military health care and military medical readiness from the Assistant Secretary of Defense for Health Affairs, the Honorable William Mayer, M.D. In addition to discussing the quality of care and medical readiness, Dr. Mayer testified on joint planning, medical command and control, recommendations for establishment of a position of command surgeon at Headquarters, U.S. European Command, the cost of military health care, and proposals for reorganizing the structure of the military medical system.

DEPARTMENT OF ENERGY PHYSICAL SECURITY

During the first session, the subcommittee continued its oversight of physical security at Department of Energy (DOE) nuclear weapons production facilities as part of its responsibilities with respect to the defense-related portions of the DOE budget. The staff visited a number of sites to inspect progress being made to enhance safeguards and security and to examine adequacy of training for security personnel.

On December 5, 1985, the Procurement and Military Nuclear Systems and Investigations Subcommittees conducted a joint closed hearing to examine the status of physical security and to receive testimony on several other classified topics relating to safeguard issues. The Secretary of Energy had installed a new Deputy Assistant Secretary of Energy for Security (Edward Badolato) who reports to him on security matters of concern. Mr. Badolato testified on his comprehensive review of DOE security and his plan to implement initiatives for strengthening overall security.

Military Installations and Facilities Subcommittee

ARMY'S PLAN TO CLEAN UP CONTAMINANTS AT ROCKY MOUNTAIN ARSENAL

The subcommittee studied in-depth the hazardous waste contamination problem at Rocky Mountain Arsenal located at Denver, Colorado. This effort included a field hearing held in Denver on February 25, 1985. The subcommittee received testimony from the Department of the Army, the Environmental Protection Agency, the Shell Oil Company, the Colorado Department of Health, and local

citizens concerning the extent of the contamination and the Army's cleanup efforts at the arsenal.

During the subcommittee markup of H.R. 1409, the fiscal year 1986 Military Construction Authorization bill, a general provision was adopted that required the Department of the Army to provide to Congress by December 31, 1985 a plan to cleanup the arsenal by December 31, 1993. Public Law 99-167, the fiscal year 1986 Military Construction Authorization Act, contains a similar provision that requires the plan to be provided to Congress by September 1, 1986. (See "Legislation Enacted Into Law" elsewhere in this report for further discussion of Public Law 99-167.)

(H.A.S.C. 99-6)

BASE CLOSURES AND REALIGNMENTS

On June 12, 1985, the subcommittee met to review existing legislation (section 2687 of title 10, United States Code) relating to military base closures and realignments.

The hearing was held to determine if existing provisions of law are too restrictive and, if so, to identify corrective measures that wold allow the Secretary of Defense increased flexibility in accomplishing closures or realignments of installations that are no longer required for national defense purposes.

Testimony was received from Dr. Lawrence J. Korb, Assistant Secretary of Defense for Manpower, Installations and Logistics, Department of Defense.

(H.A.S.C. 99-8)

SMALL AND DISADVANTAGED BUSINESS PARTICIPATION IN MILITARY CONSTRUCTION PROGRAMS

On September 26, 1985, the subcommittee conducted oversight hearings to review the involvement of small and disadvantaged businesses in military construction programs.

During the course of the hearings, the subcommittee examined the current law, regulations and practices that define the participation of small and disadvantaged businesses in military construction programs and reviewed the impact such law, regulations and practices have on the effective operation of these programs.

The hearings were held to develop a better undrstanding of how the small business and 8-A (disadvantaged business) set-aside programs work in an attempt to explore ways to correct identified problems that hamper the performance of these businesses.

Testimony was received from the Honorable Albert G. Bustamante; the Honorable Berkley Bedell; Ms. Norma B. Leftwich, Director, Small and Disadvantaged Business Utiiization, Department of Defense; Mr. Ruben E. Weatherholtz, III, Associate Administrator for Procurement Assistance, and Mr. Wilfredo J. Gonzalez, Associate Administrator for Minority Small Business, Small Business Administration; Mr. Robert E. Whiteside, Chairman, Committee on Federal Procurement of Architectural-Engineering Services, Columbia, South Carolina; Mr. P. Porcher Gregg, land surveyor, Norfolk, Virginia; Mr. David E. Lawson, practicing architect, Madison, Wisconsin; Mr. Marshall E. Purnell, President, National Organization of Minority Architects; Mr. Ralph G. Thomas, III, Executive

Director, National Association of Minority Contractors; and Mr. Douglas M. Bodenhamer, the Associated General Contractors of America.

UNITED STATES BASES IN THE PHILIPPINES

On December 5, 1985, the subcommittee began oversight hearings on the current political, economic and civil unrest in the Philippines and its potential impact on continued United States use of the military facilities at Subic Bay and Clark Field.

During the course of the hearings, the subcommittee examined the base rights agreements with the Philippine government to determine what the agreements commit the Philippine government to provide in exchange for monetary payments made by the United States.

The hearings resulted from the subcommittee's concerns about the political situation in the Philippines and reports of a possible $8 billion cost if the United States were to relocate these facilities versus a $1.3 billion cost for military construction projects if the United States continues to use these facilities. The subcommittee pressed the witnesses to identify alternative locations for these bases in the event relocation were necessary at some future date, and to identify future military construction projects that might be requested if the United States continues to use these bases.

Testimony was received from the Honorable Charles E. Schumer; Mr. James A. Kelly, Deputy Assistant Secretary for East Asian and Pacific Affairs, Department of Defense; Mr. John C. Monjo, Principal Deputy Assistant Secretary of East Asian and Pacific Affairs, Department of State; Senator Jim Sasser; Dr. George Kahin, Professor of International Relations, Cornell University; and Dr. Daniel B. Schirmer, Former Professor of History, Boston University.

COST VARIATION REPORTS

During the first session of the 99th Congress, the subcommittee reviewed and approved 16 military construction cost variation reports submitted by the military services in accordance with section 2853(d) of title 10, United States Code.

REAL ESTATE ACQUISITION AND DISPOSAL REPORTS

The subcommittee, in conjunction with its jursidiction over real estate transactions proposed by the military services, held five hearings during the first session of the 99th Congress. During these hearings 89 acquisition and disposal projects were considered; 88 were approved and 1 was deferred.

Military Personnel and Compensation Subcommittee

MILITARY RETIREMENT SYSTEM

Following four days of hearings during the 98th Congress, the Subcommittee on Military Personnel and Compensation conducted two additional days of hearings.

On April 2, 1985, the Joint Chiefs of Staff presented their assessment of the impact that changes in the current military retirement system would have on future recruitment and retention of the active duty force. The following day, a panel of witnesses from the Congressional Budget Office, the John F. Kennedy School of Government, the Brookings Institution, the Center on Budget and Policy Priorities, and Hay-Huggins gave their views on the current military retirement system and how it compares to pension plans in the private sector.

Sections 666 and 667 of the fiscal year 1986 Defense Authorization Act (Public Law 99-145) reduce the amount authorized to be spent for basic pay and retirement accrual by $2.9 billion and direct the Secretary of Defense to submit a report on changes to the military retirement system that would achieve that level of savings. (See "Legislation Enacted Into Law" elsewhere in this report for additional discussion of Public Law 99-145.)

(H.A.S.C. 99-2)

Procurement and Military Nuclear Systems Subcommittee

ARMS CONTROL AND DISARMAMENT MATTERS

Under the rules of the committee, the Subcommittee on Procurement and Military Nuclear Systems is assigned oversight jurisdiction of arms control and disarmament matters. A summary of events and the status of negotiations indicates the scope of activities the subcommittee has considered during the first session of the 99th Congress in carrying out its oversight responsibility.

On December 8, 1983, the Soviet Union announced the termination of Soviet participation in the Strategic Arms Reduction Talks (START) conducted in Geneva, Switzerland. This action was a Soviet response to the 1983 NATO decision to begin deployment of Pershing II intermediate-range ballistic missiles and ground launched cruise missiles within NATO. The 1983 NATO decision was in accordance with the 1979 NATO decision to deploy these weapons unless negotiations resulted in a reduction of the Soviet SS-20 ballistic missile threat. Later, the Soviet Union issued formal statements that neither the START negotiations nor the negotiations dealing with intermediate-range nuclear forces (INF) would be resumed until all Pershing II and ground launched cruise missiles were removed from Western Europe.

Although the START and INF negotiations remained suspended until January 1985, other multilateral arms control efforts continued. Notably, negotiations to ban the manufacuture and possession of chemical weapons continued within the United Nations 40-nation Committee on Disarmament in Geneva. Multilateral negotations also continued on Mutual and Balanced Force Reductions (MBFR) in Central Europe. MBFR negotiations, involving 12 members of NATO and seven members of the Warsaw Pact, entered their 13th year during calendar year 1985.

Developments with respect to the President's Strategic Defense Initiative (SDI) and the U.S. antisatellite (ASAT) program heightened the interest of the Congress and intensified Soviet public relations activities with respect to arms control in space. Questions

were raised by both the Congress and the Soviet Union about the compatibility of the SDI program with the 1972 Anti-Ballistic Missile (ABM) Treaty. The Space and Nuclear Arms Control negotiations between the United States and the Soviet Union in Geneva began addressing these matters in March 1985.

Increased Congressional interest in various forms of control of nuclear weapons testing was manifested by the introduction of numerous legislative proposals in the House of Representatives and the reporting by the Committee on Foreign Affairs of H.J. Res. 3, a bill urging the President to support the ratification of the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosion Treaty. That bill also would urge the President to begin bilateral negotiations with the Soviet Union aimed at achieving a Comprehensive Test Ban Treaty (CTBT).

In the area of interim restraint and continued observance of arms control agreements with the Soviet Union, the President reaffirmed the policy of the United States to observe the provisions of SALT II, the Threshold Test Ban Treaty, and other treaties so long as the Soviet Union also observed those limitations. As a result, plans were announced to retire and partially disassemble a Poseidon-type ballistic missile submarine concurrent with the beginning of sea trials of the U.S.S. *Alaska*, a Trident-like ballistic missile submarine. In addition, the Administration continued to assure the Congress that the SDI program would remain in full compliance with the ABM Treaty.

In addition to the Administration's announced policy of interim restraint, the President submitted classified and unclassified reports to the Congress in February and December, 1985 containing a detailed analysis of Soviet noncompliance with seven arms control agreements. These reports, submitted in response to the Department of Defense Authorization Act, 1985 (Public Law 98-525), charged the Soviet Union with numerous violations of nuclear weapons test ban treaties, SALT II, and numerous violations of the ABM Treaty.

Committee and congressional concerns about Soviet noncompliance with arms control agreements are reflected in several sections of the Department of Defense Authorization Act, 1986 (Public Law 99-145). (See "Legislation Enacted Into Law" elsewhere in this report for additional discussion of Public Law 99-145.) Section 1001 expresses the sense of Congress that U.S. concerns over Soviet noncompliance be resolved through diplomatic channels and that the United States refrain from undercutting existing agreements to the extent that the Soviet Union does not undercut those agreements. Section 1001 specifically refuses to endorse unilateral compliance with agreements by the United States, to prohibit "proportionate responses" by the United States to Soviet undercutting of agreements, or to prohibit development, flight testing, or deployment of the small intercontinental ballistic missile previously authorized by the Congress. Section 1002 requires the President to submit a report to Congress on Soviet compliance with arms control commitments no later than December 1 of each year beginning with 1985. Finally, Section 1003 requires the President to establish an interagency study on cooperative measures for the verification of arms

control agreements and to report the results of this study to Congress no later than May 1, 1986.

As the first session of the 99th Congress ended, there were indications of progress in arms control negotiations. In Geneva, the Soviet Union tabled a counterproposal to a U.S. proposal providing for reductions in the numbers of strategic nuclear weapons. The United States also tabled a new proposal in Geneva to limit the numbers of intermediate-range nuclear weapons such as the SS-20, Pershing II and ground launched cruise missiles in Europe and Asia. In addition, the NATO negotiators at the MBFR talks in Vienna offered a modified proposal.

Indications of possible future arms control progress were also contained in the results of the summit meeting between President Reagan and General Secretary Gorbachev in Geneva during the period November 19–21, 1985. The joint statement issued by President Reagan and Secretary Gorbachev on November 21 indicates that negotiations on nuclear and space arms will be accelerated as well as the idea of reaching an interim agreement on INF. Joint studies of risk reductions centers will be undertaken and efforts will be made to strengthen the Nuclear Nonproliferation Treaty. The two sides reaffirmed their support of a general and complete prohibition on chemical weapons and the destruction of existing stockpiles. Other highlights of the summit included the settlement of several sources of friction not involving arms control and an agreement for additional summit meetings in future years.

Space and nuclear arms negotiations

A meeting was held on January 7 and 8, 1985, in Geneva, Switzerland, between Secretary of State George P. Shultz and Soviet Minister of Foreign Affairs Andrei A. Gromyko to discuss the objective of forthcoming U.S. and Soviet negotiations on nuclear and space arms. It was agreed that the negotiations would be conducted by delegations from each side divided into three groups. On January 18, the President appointed Ambassador Max M. Kampelman to head the U.S. delegation and to serve as the U.S. Negotiator on Space and Defensive Arms. Ambassador John G. Tower was appointed as Chief Negotiator on Strategic Nuclear Arms and Ambassador Maynard W. Glitman was appointed as Chief Negotiator on Intermediate-Range Nuclear Arms. The new negotiations, which incorporated the subjects previously discussed in the abruptly terminated START and INF negotiations, began in Geneva on March 12, 1985. The subject matter to be covered by negotiations was broadened to include defense and space arms issues.

The objectives of the United States in the new arms negotiations were the same as in previous negotiations: to achieve verifiable and equitable radical reductions in the numbers and destructive power of destablilizing strategic forces, to eliminate or to reduce radically intermediate-range nuclear forces, and to discuss the question of space arms.

The first round of the new talks was completed on April 23, 1985 and included U.S. proposals for equitable and verifiable deep reductions in strategic nuclear weapons using tradeoffs that recognized the substantial differences between U.S. and Soviet force structures. The United States reaffirmed its preferences for the elimina-

tion of intermediate-range nuclear forces but expressed a willingness to reduce such forces to lower but equal global limits on warheads. With regard to defense and space issues, the United States emphasized the instability of the current strategic situation based on offensive forces and the relationship between offensive and defensive forces. The United States also expressed its concerns about the erosion of the ABM Treaty, notably the construction of the large phased-array ballistic missile tracking radar under construction in the Soviet Union at Krasnoyarsk.

The Soviet approach during the first and second rounds of negotiations reiterated previous proposals to freeze the current situation with respect to strategic weapons and to declare a moratorium on further deployment of intermediate-range weapons. The Soviets characterized U.S. research on strategic defensive systems as a violation of the ABM Treaty and of the general agreement that established the space arms talks. The U.S. proposal with respect to strategic weapons reductions did not receive a response in Geneva until the Soviet Union presented a counterproposal during the third round of negotiations on September 30, 1985.

The Soviet counterproposal included various bans, freezes, limitations and reductions of offensive forces. The Soviets proposed a reduction of 50 percent of each side's stragetic delivery systems—launchers and aircraft—but did not apply its reductions to warheads. In summary, the Soviet counterproposal would ban the deployment of all U.S. air-, sea-, and ground-launched cruise missiles; the U.S. Midgetman and Trident II ballistic missiles; and the advanced technology bomber while it would permit the deployment of the Soviet SS-24, SS-25, and SSN-23 ballistic missiles and the Blackjack bomber. Further, the Soviet counterproposal would halt all additional NATO deloyments of Pershing II and ground-launched cruise missiles and would ban scientific research, development, testing and deployment of U.S. SDI programs. A hidden feature of the Soviet counterproposal is that it defines "strategic delivery systems" to include those systems, that by virtue of their location, can strike the territory of the other side. This provision would equate U.S. Air Force and Navy aircraft that are forward deployed with Soviet systems such as the SS-18. Comparable Soviet systems would not be counted.

Although there were positive elements in the Soviet counterproposal, the overall effect would be to unacceptably degrade U.S. capabilites, decrease stability and undermine deterrence. In addition, the proposal would tend to force the United States to choose between systems committed to the defense of NATO and a strategic deterrent that defends only the United States.

On November 1, 1985, the United States tabled a response to the Soviet counterproposal. This new U.S. proposal would build on the 50 percent reduction in strategic weapons proposed by the Soviet Union and is based on the following concepts: the reductions would not be unequal or destabilizing; the results would not abandon support for U.S. allies; and the United States would not renounce the right to conduct SDI research in conformity with the ABM Treaty. The new U.S. proposal would limit the number of warheads on strategic ballistic missiles to approximately 50 percent below present levels. Strategic missile throwweight would be reduced by

50 percent and equal limits would be established for long range air launched cruise missiles at approximately 50 percent below planned U.S. levels.

In addition, the new U.S. proposal would ban all new heavy strategic ballistic missiles and their modernization, ban all mobile intercontinental ballistic missiles and include a "build-down" to implement reductions. A Soviet response to the new U.S. proposal is expected after negotiations resume in mid-January 1986.

With respect to intermediate-range nuclear forces, the new U.S. proposal would cap intermediate-range launcher deployments in Europe to approximately 140 Pershing II and ground launched cruise missile (GLCM) launchers in return for a Soviet agreement to reduce SS-20 launchers within range of NATO Europe to the same number. The United States would agree to equal numbers of warheads on intermediate-range nuclear missiles at reduced levels—approximately 420 warheads. The Soviet Union would be required to reduce SS-20 launchers in Asia by the same proportion as the reduction of launchers within the range of NATO Europe. The result of the U.S. proposal would be equal global limits on intermediate-range missile warheads.

With regard to space, the new U.S. proposal reaffirms the U.S. commitment to SDI research in compliance with the ABM Treaty. A cooperative transition from offensive systems to defensive systems was proposed if new technology proved feasible. It was also proposed that the Soviet Union join with the U.S. in an "open laboratories" arrangement to provide each side with information on the other side's defensive research programs.

Mutual and Balanced Force Reductions (MBFR) negotiations

The subcommittee continued its oversight activities of the Mutual and Balanced Force Reductions (MBFR) talks—now in their thirteenth year. Nothwithstanding the failure of the MBFR talks to achieve reductions in military forces in Central Europe, these talks have served several useful purposes. Most importantly, the MBFR talks constitute the only forum where mutual security concerns are continually discussed by NATO and the Warsaw Pact countries.

Since the beginning of the talks in 1973, there have been fundamental differences on a number of issues, including the size of forces in the reductions area (the so-called data issue), and on what would constitute adequate verification. The NATO countries have insisted on reaching a prior agreement on the size of existing forces while the Warsaw Pact countries have refused to agree to provide this data or to agree to verification measures other than national technical means of verification.

On December 5, 1985, President Reagan announced a new U.S./NATO initiative designed to break the long-standing impasse in the MBFR talks. The new NATO initiative would make the following important concessions: NATO would accept the general framework for negotiations proposed by the Warsaw Pact in February 1985; NATO would consider a noncomprehensive agreement of limited duration; NATO would no longer insist on an agreement on troop levels before a treaty is signed; and NATO would not insist

that all steps made to reduce troop levels to parity be agreed to prior to the completion of an agreement.

In return for the above concessions, the NATO initiative proposes a reduction of 5,000 U.S. and 11,500 Soviet ground troops in Central Europe. Both sides would agree not to increase ground forces in that area for three years. In addition, a package of measures to verify the numbers of troops withdrawn and the numbers remaining, including on-site verification measures, would be negotiated.

At the end of the first session of the 99th Congress, no official Warsaw Pact response had been received by the NATO MBFR negotiators. It is expected that a response will be received when the MBFR talks resume on January 30, 1986.

Nuclear nonproliferation

The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) entered into force in 1970 and has been signed by 124 nations as of September 1985. Article VIII of the treaty provides for a treaty review conference at five-year intervals. The third such conference met in Geneva, Switzerland, from August 27 through September 21, 1985, and upon completion, issued a joint declaration.

The objectives of the NPT are: to prevent proliferation of nuclear weapons and other nuclear explosive devices; cessation of the nuclear arms race and ultimate general and complete disarmament; and to promote cooperation in peaceful uses of nuclear energy. Although the NPT is the bedrock of international nonproliferation efforts, the agreement establishing the International Atomic Energy Agency (IAEA), created in 1957, provides the chief mechanism for policing the NPT and establishing safeguards against proliferation.

Because the subcommittee has both legislative and oversight responsibility for Department of Energy defense programs, the subcommittee reviews the budgets for special nuclear materials production for weapons, naval fuels and civil scientific research; nuclear weapons production, safeguards and security of nuclear materials and facilities; and the control of classified information regarding nuclear programs. In exercising continuous oversight of those programs, the subcommittee is mindful that controlling classified information on materials production and nuclear explosive devices is of equal importance with safeguarding nuclear materials and devices themselves.

The subcommittee also reviews budget requests and oversees the Department of Energy verification and control technology program. This program has provided most of the technology used by the United States to verify nuclear arms control treaties and by the IAEA to monitor compliance with the NPT. The subcommittee's Special Panel on Arms Control and Disarmament (discussed in greater detail later in this section) held hearings on the NPT and the IAEA agreement and received a briefing from Ambassador Bruce Chapman, the U.S. Representative to the IAEA in Vienna.

Although the success of the NPT and IAEA is manifest in that no additional countries overtly have acquired nuclear weapons during the 15 years that the treaty has been in force, the nuclear programs of Israel and South Africa (not parties to the NPT) were noted with concern during the 1985 NPT review conference. The

conference also noted that all countries should suspend cooperation with South Africa and Israel that could contribute to the development of their nuclear programs and that South Africa and Israel should accede to the NPT and accept IAEA safeguards on their nuclear facilities. Other issues of concern involved the suspected nuclear weapons capabilities of Argentina and Brazil and other countries under military pressure such as Pakistan, South Korea and Taiwan. In addition, issues were raised during the conference concerning the Isaraeli attack on the Iraqi reactor.

Chemical weapons

The subcommittee's deep interest in the control of chemical weapons continued during the first session of the 99th Congress. The fiscal year 1986 budget request for chemical warfare programs continued to address three issues—improved chemical warfare defense; development of measures to dispose of deteriorating chemical weapons; and the modernization of a U.S. deterrent retaliatory capability.

The policy of the United States for more than a decade has been to achieve a complete, effective, and verifiable ban on the production, possession, and transfer of chemical weapons. The U.S. position recognizes that the verification of such a comprehensive ban cannot be achieved through national technical means alone and that other more intrusive methods would be required. Although the United States has adhered to a unilateral moratorium on the production of chemical agents since 1969, the United States is not a party to any treaty restricting the development, production, stockpiling, or transfer of chemical weapons.

Primary issues raised during the first session of the 99th Congress involved the maintenance of large chemical weapons stocks by the Soviet Union in support of a chemical warfare doctrine, and its exercise of chemical weapons delivery systems deployed for possible offensive warfare against NATO defensive forces. To deter the possible use of chemical agents by the Warsaw Pact in a NATO-Warsaw Pact confrontation, NATO forces must possess a comparable capability. Similar concerns, and support for a comprehensive and verifiable chemical weapons ban, have been expressed by nonaligned nations who point to evidence of actual use of toxin and other chemical weapons in Southeast Asia and Afghanistan.

An important argument supporting a verifiable comprehensive ban on chemical weapons or, in the alternative, the maintenance of a retaliatory capability is that the offensive use of those weapons against NATO would probably trigger an early nuclear response.

In January 1982, U.S. efforts for chemical weapons arms control shifted from previous bilateral U.S.-Soviet negotiations to the 40-nation Conference on Disarmament (CD) in Geneva. Major U.S. initiatives were presented in July 1983 and subsequently by Vice President George Bush in an appearance before the CD in April 1984. A comprehensive text of a treaty supported by the United States is now before the CD and the U.S. delegation has continued both bilateral and multilateral negotiations on that proposal.

A comprehensive ban on the production, possession, and transfer of chemical weapons is a complex undertaking. Because numerous countries are capable of manufacturing chemical agents, and many

others would be capable of using such weapons, a comprehensive agreement should be multilateral. Chemical weapons are relatively easy to manufacture, conceal, and transfer. Also, because chemical weapons can be quickly produced and existing stocks can be hidden for possible use, the United States has considered mandatory on-site inspection necessary for adequate verification.

Chemical weapons negotiations within the CD have moved very slowly. Although some "procedural progress" was reported during 1985, there was little cause for optimism. Following the pattern of prior years, there was intense debate within the Congress regarding the Administration's request for funds to resume production of chemical agents and weapons. Some argued that a demonstrated U.S. resolve to maintain an adequate deterrent is necessary to bring about serious Soviet negotiations. Others argued that the production of new U.S. chemical weapons would damage arms control efforts.

The Senate version of the Department of Defense Authorization Act, 1986 (S. 1160), would have authorized the full amount requested for the modernization of U.S. chemical weapons stockpiles—the binary munitions production program. The House amendment to the Senate bill would have reduced the amount requested and, in addition, placed restrictions and conditions on the program. The conference agreement (enacted as Public Law 99-145) authorizes the full amount requested for procurement and facilities but restricts the obligation of funds for procurement or assembly of new chemical munitions, or for the establishment of production facilities, pending a Presidential certification that a plan has been developed whereby new chemical munitions can be deployed under contingency plans within NATO. In addition, no final assembly of complete binary chemical munitions can occur until sixty days after October 1, 1987, and certain other specified conditions have been satisfied. (See "Legislation Enacted Into Law" elsewhere in this report for additional discussion of Public Law 99-145).

Special Panel on Arms Control and Disarmament

The importance of the subcommittee's oversight responsibilities with respect to arms control and disarmament was underscored by the appointment of a Special Panel on Arms Control and Disarmament on March 26, 1985. The panel held 10 days of hearings and participated in additional full committee and subcommittee hearings on arms control and disarmament matters.

Topics of the hearings included: Mutual and Balanced Force Reductions (MBFR) negotiations; Conference on Disarmament activities; nuclear weapons testing and verification; current U.S. arms control policy and activities of the Nuclear Nonproliferation Treaty Review Group; negotiations on nuclear and space arms; military implications of arms control; Soviet testing and production of special nuclear materials; current Soviet arms control proposals; public perspectives on arms control and current U.S. and NATO arms control proposals.

In September 1985, members of the panel visited the U.S. Delegation to the Negotiation on Nuclear and Space Arms in Geneva, Switzerland, where they met with Ambassadors Max M. Kampelman, Head of the Delegation and Negotiator on Defense and Space;

John G. Tower, Negotiator on Strategic Nuclear Arms; and Maynard W. Glitman, Negotiator on Intermediate Range Nuclear Forces. Also in September 1985, the panel visited the MBFR Negotiations in Vienna, Austria, where they met with Ambassador Robert D. Blackwill, Head of the U.S. Delegation, and a majority of the NATO MBFR participants; and with Ambassador Bruce Chapman, the U.S. Representative to the United States Mission to the United Nations System Organizations, Vienna, Austria (UNVIE), on the work of the International Atomic Energy Agency (IAEA) on nuclear nonproliferations issues.

Readiness Subcommittee

SPECIAL OPERATIONS PANEL

The Special Operations Panel, a panel of the Readiness Subcommittee, was created to provide oversight of the services' planning, budgeting and use of special operations forces. The panel received extensive testimony in 1985 comparing each service's Special Operations Master Plan with its actual budget submissions and execution.

In addition, the panel considered in great detail the organization, planning and execution of special operations during peacetime contingencies with a view toward determining progress made since the attempted Iranian hostage rescue.

Allegations of diversion of government funds used to support classified special operations activities were the subject of continuing oversight with formal hearings deferred until federal trials and courts-martial stemming from the charges reach disposition.

The Readiness Subcommittee has requested an initial panel report on special operations readiness for use during its consideration of the fiscal year 1987 Defense Authorization bill.

MORALE, WELFARE AND RECREATION PANEL

Revisions to the Armed Services Exchange and Commissary Regulations

On April 7, 1983, the panel reviewed a Department of Defense proposal to revise the Armed Services Exchange Regulations to authorize the sale of home computers and auxiliary items, including monitors, in military exchanges. The panel deferred the request pending further evaluation and review. On March 19, 1985, the Department of Defense provided additional information and justification in support of its proposal. The panel approved the request on March 25, 1985 with certain restrictions: first, only computers and associated items that fall within the personal and home computer category are authorized for sale (systems oriented toward office or business environments are not authorized); and second, only personal and home computers produced or manufactured by U.S. sources may be sold in U.S. and overseas exchanges.

On February 13, 1984, the Department of Defense submitted a proposed revision to authorize the use of nationally known credit cards in military exchanges. The panel met with the exchange services on October 2, 1984, but no action was taken primarily be-

cause the exchanges had not developed a coordinated plan of action.

On September 18, 1985, the panel received testimony on the credit card issue from representatives of the Department of Defense, the military exchange services, and a number of associations. Although the panel invited a number of retail establishments to testify, all declined. With the exception of several letters, the panel received no indications of opposition to the credit card proposal.

On October 3, 1985, the panel voted to authorize use of nationally known credit cards in military exchanges subject to a review of the exchanges' implementation plan. On November 6, 1985, the Department of Defense submitted an implementation plan to the panel, and on December 6, 1985, the panel approved the use of nationally known credit cards in military exchanges.

A request that wine coolers be made available for sale in military exchange mini-marts was received by the panel on July 15, 1985. The panel studied this matter and on December 2, 1985 authorized the sale of low-content alcohol beverages, including wine coolers, to military patrons of military exchanges.

Nonappropriated fund construction

Nonappropriated funds are dollars generated by service members and their families through various resale activities. Profits from exchanges, bowling centers, etc. are used to build new facilities like commissaries, exchanges, clubs, youth centers, athletic fields, etc., or to support programs not traditionally funded by the government.

The panel completed annual oversight reviews of the fiscal year 1985 and 1986 nonappropriated fund construction programs. The nonappropriated fund construction programs of the military services have grown rapidly in the last few years, primarily because of initiatives to centrally fund and manage major construction projects. The 1985 program reached $400 million while the 1986 program exceeded $500 million.

During its 1985 review, the panel determined that the services must improve both long-range planning and project justifications. The panel noted numerous instances where installations had not determined the need for projects or developed plans to integrate construction requirements with funding forecasts.

The panel approved 90 percent of the projects requested. Of the remaining 10 percent, the panel deferred some requests, downscoped others, and approved several with qualification. For example, the panel deferred commissary and exchange projects in the Murphy Canyon housing complex in San Diego because of higher priorities in that area. Similary, a gas station in Puerto Rico was deferred because of a very low return on investment.

The panel also downscoped a proposed commissary at Ft. Lewis, Washington from $16 million to $10.7 million and a store at MacDill AFB from $15.5 million to $9.6 million. Three consolidated Class VI stores and centralized morale, welfare and recreation warehouse projects were also reduced by approximately $200,000 each.

Although several projects were approved for humanitarian reasons, namely, to prevent hardships on families stationed at new

mission sites, the panel advised the Department of Defense that all future projects at new mission locations should be funded with appropriated dollars. The panel does not believe that service members should have to fund the construction of new facilities when national security policy decisions dictate establishment of new installations.

The panel also reviewed a number of out-of-cycle requests throughout the year. Requests for fast food facilities at forty locations, primarily overseas, were approved. In addition, the panel reviewed and approved fourteen projects for commissaries, exchanges, clubs, bowling centers, handball courts and a lodge at various locations.

Because of the record size of the 1986 program (more than $500 million), the panel held comprehensive hearings to evaluate the direction of nonappropriated fund construction and to resolve a number of policy issues. These matters were addressed during three days of hearings in October when the panel heard testimony from Department of Defense, industry and military service witnesses.

Based on the hearings and evaluations of project justifications, the panel:

—recommended that the Secretary of Defense restructure the Department of Defense Morale, Welfare and Recreation Coordinating Committee as the lead organization for nonappropriated fund construction policy;

—strongly opposed the construction of on-base first class hotels and stressed that new guest houses be operated on a self-sufficiency basis;

—rejected the request to build morale, welfare and recreation projects on reserve bases;

—recommended that profit generating projects (i.e., bowling centers) be operated on a business-like basis, with minimal appropriated fund support and fees established to cover operating costs;

—suggested increased use of turnkey procurement, standard designs, preselected equipment and specialized contractors to reduce construction time and cost;

—approved most military club projects but advised the Department of Defense that future projects will not be considered until an in depth study of the military club system is submitted to the panel;

—deferred three projects for consolidated Class VI stores and morale, welfare and recreation warehouses pending an Army analysis verifying the economies of the concept;

—approved a number of fast food facility projects subject to the fiscal year 1986 language in the Appropriations Conference Report;

—deferred ten fast food facility projects because of project uncertainties and four others because of actions taken by the military construction subcommittees; and

—deferred twelve projects because of excessive costs, inadequate justification or incomplete design.

Studies and investigations

Army Central Banking and Investment fund. The panel investigated management of the Army's Central Banking and Investment fund following the loss of $11 million due to the bankruptcy of an investment dealer in New Jersey. The investigation revealed that the Army relied on the past performance of the securities dealer but never verified the firm's profitability, capital growth or financial soundness. Additionally, although the Army had taken possession of collateral on overnight repurchase agreements in the past, it has failed to do so for the last few years as renewal dates were extended from overnight to one month periods. This failure to take possession of the securities led to the loss when the dealer filed for bankruptcy.

This loss was the second experienced by Army fund managers in the last five years. In 1981, inaccurate record keeping caused a $1.8 million loss in securities and speculative investments resulted in the cost of the investment portfolio exceeding its market price by approximately $69 million.

Because of these losses, the panel requested the Department of Defense to identify all nonappropriated fund investments, both civilian and military, and to review their investment policies, practices, portfolios, professional management, extent of oversight and guidance, responsiveness to audit recommendations, and other related areas.

Single Installation Morale, Welfare and Recreation Fund. In October 1983, the Army requested the panel's approval to test a single nonappropriated fund approach in one of its commands. The proposal represented a new concept for managing, operating and accounting for nonappropriated funds at the base level. Its purpose was to consolidate all operational profits at the base level and to allow the local commander to use these funds for construction and operational needs. The panel approved the Army's request but stipulated that no further implementation could occur after the test period until the results were completely reviewed and evaluated. In addition, the panel specified that any deviations must be approved by the Office of the Secretary of Defense. In April 1985, the Acting Assistant Secretary of Defense (Manpower, Installations and Logistics) approved the single-fund concept.

On September 9, 1985, the panel approved, with strong reservations, the Army's request to implement the single-fund concept. In general, the panel opposes consolidating installation nonappropriated fund instrumentalities into one Installation Morale, Welfare and Recreation Fund. The panel is convinced the existing system, where Nonappropriated Fund Instrumentalities provide a wide variety of well-managed programs that compete for the soldiers' dollars, is the preferred method of operating. The panel believes consolidating activities and merging funds will seriously deter the incentives managers have under the existing system.

Because the consolidation of morale, welfare and recreation activities on an installation will create a multi-faceted business similar in size and responsibility to the operations of a municipal government, the panel urged the Army to ensure that installations are capable of operating under the single-fund approach before allow-

ing implementation. Specifically, a "business manager" will have overall responsibility for managing these single-fund operations on each installation. Quality people are needed for this management position, otherwise the controls and safeguards developed during the last few years to prevent abuse will be affected. At the present time, the panel feels the number of experienced persons available to fill these positions is relatively limited and a cautious implementation is warranted.

Purchase of offshore soft drinks for resale in European commissaries. Currently, U.S.-produced soft drinks are being sold in Europe by the Army and Air Force Exchange Service at sizeable savings to military patrons. These sales produce needed profits to support morale, welfare and recreation programs, provide a uniform pricing structure, and directly support the U.S. economy.

The Air Force Commissary Service recently proposed purchasing offshore soft drinks for resale in its European commissaries. Under this proposal, 75 percent of soft drinks would be obtained through German and U.K. sources for Air Force commissaries in those countries, while 25 percent would be obtained from U.S. sources and made available to Air Force commissaries in the Mediterranean region.

Neither the Army and Air Force Exchange Service nor the Army commissary system supported the Air Force proposal. The Army and Air Force Exchange Service estimated that it would lose about $5 million annually in earnings if European commissaries carried soft drinks. The Army estimated that only 20 of its 63 commissaries in Europe could handle the sale and storage of sodas without spending millions of dollars for additional space. The Army also advised the panel that if soft drinks were carried in their stores, some existing products would have to be removed to make space for them. Finally, the panel found that European-produced soft drinks are not necessarily identical to U.S.-produced products in taste, color, can sizing or labeling and that commissaries were not planning to offer all soft drinks available in exchanges.

Although the panel advised the Air Force on September 10, 1985 that it strongly opposed the purchase of off-shore soft drinks, the panel authorized European commissaries to purchase soft drinks from the Army and Air Force Exchange Service. The panel concluded that the existing system is working efficiently, offers the best price for a wide selection of brand name American products, and provides funds in support of military moral, welfare and recreation programs.

Transfer of Army milk plant to the Army and Air Force Exchange Service. In August 1985, the Army proposed that the Army and Air Force Exchange Service assume responsibility for operating the 8th U.S. Army milk plant in Korea, a government-owned, contractor-operated facility built and supported by appropriated funds. The new plant cost $7 million and began operating on May 1, 1985. The Army estimated that the transfer would save $1.5 million annually in operation and maintenance funds.

Because military exchanges are nonappropriated fund activities and already experiencing serious problems with sales, profits, and dividend levels, the panel believes that exchanges should not be straddled with large-scale, complex and costly appropriated fund

operations. Moreover, the Army and Air Force Exchange Service is already undertaking the massive task of rebuilding its large distribution system, rapidly expanding its fast food program and continuing its critical capital construction program.

The panel also did not agree with the projected $1.5 million in operation and maintenance savings. The Army and Air Force Exchange Service's overseas facilities are entitled to the same appropriated fund support that contractor-operated facilities receive.

Although the panel understands the desire of the Army to relieve itself of a non-combat mission, the panel concluded that the transfer would be of no substantial benefit to the government or exchange service and advised the Army on September 9, 1985, that it strongly opposed the transfer. On September 24, 1985, the Assistant Secretary of the Army (Installations and Logistics) advised the panel that the milk plant will continue to be operated by the Army as a government-owned, contractor-operated facility.

Seoul Garden Hotel, Seoul, Republic of Korea. In August 1982, the Army requested authority to lease the Seoul Garden Hotel as a military transient billeting facility. The Army proposed leasing the hotel with appropriated funds for a five-year period at a cost of $3.4 million per year.

The project was approved by the panel contingent upon two factors. First, nonappropriated funds were to be used in lieu of operation and maintenance funds to finance the lease. Second, the hotel was to be operated on a self-sustaining basis similar to the Hale Koa Hotel in Hawaii. In December 1982, the Army entered into a five-year lease, with the first year's lease payment of $3.4 million borrowed from 11 military clubs in Korea. This loan was to be repaid when the lease was terminated. Additional lease payments and the club loan repayment were to be financed from hotel revenues.

In May 1984, the panel learned of misconduct and mismanagement in the operations of the hotel. A panel investigation revealed that the hotel was losing about $100,000 per month (even though it was receiving over $1 million annually in appropriated funds), its restaurants and lounges were used primarily by large numbers of unauthorized civilian personnel, and the club loans had been converted to a grant.

The Army employed a consulting firm with expertise in the hospitality industry to study the current operations of the hotel and to develop recommendations concerning future operations. Among other recommendations, the consultant proposed either that a new lease be negotiated on more equitable terms or that the lease be terminated and commercial contract hotels be used instead.

In January 1985, the panel advised the Army of its strong reservations concerning the need for, and continued operation of, the Seoul Garden Hotel. The Army agreed and advised the panel that it terminated the hotel's lease in August 1985.

MacDill Air Force Base golf course. In December 1982, the panel authorized the construction of an 18-hole golf course with $1.2 million of nonappropriated funds. The construction contract was awarded in 1983. During 1984, the panel received complaints that the course was poorly designed and that it did not fully comply with environmental protection regulations. Air Force attempts to

correct these problems failed and the contractor was terminated for default. The Air Force requested an additional $1.2 million to complete the course, while it began moving against the contractor for damages and recovery of costs.

A panel investigation substantiated these claims and revealed that Air Force engineers had failed to adequately monitor the contractor's performance. The panel advised the Air Force that it planned no further action on the $1.2 million request until it received a report outlining corrective actions taken, a detailed analysis of the steps needed to correct the situation, a realistic justification of the funds required, and the proposed source of funds. The panel specified that the first priority must be to correct the problems associated with complying with the State of Florida's environmental regulations.

After reviewing detailed reports submitted by the Air Force, the panel approved the additional funds provided by the Air Force Welfare Board in the form of an interest-bearing loan. A reprocurement contract was awarded in August 1985 and work is scheduled to be completed in March 1986.

IMPACT OF REFINED PETROLEUM PRODUCT IMPORTS ON NATIONAL SECURITY READINESS

On July 30 and December 5, 1985, the subcommittee held hearings regarding the impact of refined petroleum product imports on national security readiness. The subcommittee has been concerned by the declining capacity of the U.S. petroleum refinery industry and the hypothesis that such declining capacity has resulted from the increasing market share held by imported refined products. The hearings were held to develop a better understanding of the declining U.S. capacity and its potential impact on readiness and, if necessary, to identify appropriate courses of action and corrective measures.

Testimony was received from Mr. Urvan R. Sternfels, President of the National Petroleum Refiners Association; Dr. Henry Schuler, Georgetown Center for Strategic and International Studies; Mr. D. W. Robinson, Manager of the Synthetic Fuel Programs Group, Amoco Corporation; Mr. Lewis C. Knox, Vice President and Chief Engineer, Catalytic Inc.; Dr. Charles K. Ebinger, President of Ebinger International; Mr. Glen E. Sweetnam, Director of Economic Analysis, Office of Policy, Planning and Analysis, Department of Energy; Mr. Jeffrey Jones, Deputy Director for Energy Programs, Office of the Assistant Secretary of Defense (Acquisition and Logistics); and Mr. John Richard, Director of Office of Industrial Resource Administration, Department of Commerce.

Research and Development Subcommittee

ASSURED ACCESS TO SPACE

Joint hearings between the Research and Development Subcommittee and the Space Science and Applications Subcommittee of the Committees on Science and Technology were held on July 23, 24 and 25, 1985 to review space launch vehicle demands for the

1990s and to assess the adequacy of currently planned launch system capacity to support those demand trends.

SEAPOWER AND STRATEGIC AND CRITICAL MATERIALS SUBCOMMITTEE

SHIP PROCUREMENT PROCESS

On February 2, 1985; March 14, 1985; and May 15, 1985 the subcommittee held hearings jointly with the Investigations Subcommittee on the Navy's ship procurement process and the accounting practices of major defense contractors. At the February 20 hearing the Honorable John F. Lehman, Jr., Secretary of the Navy, testified on current ship procurement practices as well as the efficacy of reopening the 1978 shipbuilding claim settlement with the General Dynamics Corporation reached under the provisions of Public Law 85-804. Testimony was also received from Mr. Frank Conahan, Director, National Security and International Affairs Division of the General Accounting Office on the subject of the 1978 settlement. Both witnesses testified against reopening the settlement case given information available at that time.

On March 14, 1985 the subcommittee heard testimony from the Honorable William H. Taft, Deputy Secretary of Defense, on Department of Defense actions to recover unallowable costs under contracts with General Dynamics.

On May 15, 1985 the subcommittee received testimony on the results of its review of allowable costs in the overhead cost submissions of defense contractors. The witnesses pointed out a large number of instances where contractors had submitted for government reimbursement costs that were clearly unallowable or questionable in nature. Testimony was received from Mr. Williston B. Cofer, Jr., committee professional staff member, Mr. Peter Ropollo, Defense Contract Audit Agency (detailed to the committee) and Mr. Warren T. Nagel, General Accounting Office (detailed to the committee). (See "Investigations Subcommittee" elsewhere in this report for additional discussion of these topics.)

600-SHIP NAVY

In June and September 1985 the subcommittee held a series of hearings to review the rationale for and the execution of the Navy's plans for modernizing and expanding the fleet, commonly known as the 600-ship Navy.

On June 24, 1985 the subcommittee heard testimony on the Navy's maritime strategy, its relationship to national strategy, and how the strategy relates to the Navy's budget proposals. Testifying were the Honorable John F. Lehman, Jr., Secretary of the Navy; Admiral James Watkins, Chief of Naval Operations; and General P.X. Kelley, Commandant of the Marine Corps.

On September 5 the subcommittee reviewed in great detail the classified aspects of maritime strategy and its relationship to existing operational plans. Admiral James A. Lyons, Jr., Deputy Chief of Naval Operations for Plans, Policy and Operations, testified. Also on September 5 the subcommittee held a hearing on the role of the attack submarine in maritime strategy, focusing on the design and expected employment of the new SSN-21 class subma-

rine. Testifying were Admiral Kinnaird McKee, Director of the Nuclear Propulsion Directorate, Naval Sea Systems Command; and Vice Admiral Nils R. Thunman, Deputy Chief of Naval Operations for Submarine Warfare.

On September 6 the subcommittee held a hearing to examine the affordability of the 600-ship Navy and to hear from public witnesses on the desirability of the Navy's plans. Testifying were Dr. Eric Hanushek, Deputy Director of the Congressional Budget Office and Mr. Frank Conahan, Director of National Security and International Affairs, General Accounting Office. Three public witnesses—retired Admirals Isaac Kidd, and Stansfield Turner, as well as retired Rear Admiral Eugene Carroll—also testified.

On September 10 the subcommittee heard testimony from Secretary Lehman in response to the testimony received on September 6 and in amplification of testimony by previous Navy witnesses.

The subcommittee published a report explaining its findings as a result of these hearings.

(Committee Print 11)

NATIONAL SECURITY COUNCIL STUDY ON STOCKPILE GOALS

On June 24, 1985 the Seapower and Strategic and Critical Materials Subcommittee met in executive session to receive a classified briefing from members of the National Security Council staff concerning their study on National Defense Stockpile goals, their recommendations to the President, and Presidential decisions on stockpile policy.

Although the briefing was classified, a July 8 White House press release provided key details of the proposed changes to national defense stockpile policy.

Because of the drastic reductions proposed in National Defense Stockpile goals, the subcommittee requested the Comptroller General of the United States to conduct an immediate and comprehensive evaluation of the National Security Council staff study, including the validity of the methodology and planning factors used in the study. The General Accounting Office review is scheduled to be completed during the second session of the 99th Congress.

NAVY SUPPLY SYSTEM

On October 1, 1985 the subcommittee held oversight hearings on the operation of the Navy supply system, focusing specifically on allegations made concerning mismanagement and improprieties in the supply operation of the U.S.S. *Kitty Hawk* (CV-63).

Testimony was received from the Rep. Jim Bates, (D.-Calif.); Mr. Robert Jackson, a former petty officer assigned to *Kitty Hawk;* and Commodore James B. Whittaker, Assistant Commander for Inventory and Systems Integrity, Naval Supply Systems Command.

REVOLVING DOOR

On April 18, 1985 the subcommittee held a joint hearing with the Investigations Subcommittee on post-employment conflicts of interest in defense procurement, the so-called "revolving door," and H.R. 272. (See "Legislation Considered But Not Reported" for addi-

tional discussion of H.R. 272.) Some witnesses testified to significant problems with post-employment conflicts of interest, citing specific examples that, at least, gave the appearance of impropriety. Other witnesses testified that legislative remedies could make it difficult to attract and retain high-quality people to serve in the Department of Defense.

Testimony was received from Rep. Charles E. Bennett, (D.-Fla.); Rep. Barbara Boxer, (D.-Calif.); Mr. David Martin, Director of the Office of Government Ethics; Mr. Chapman B. Cox, General Counsel of the Department of Defense; and six public witnesses.

This hearing was integral to the subcommittee's reporting of two bills to limit conflicts of interest in defense procurement, H.R. 2356 and, subsequently, H.R. 2554. (See "Legislation Considered But Not Reported" and "Legislation Reported But Not Enacted" for additional discussion of H.R. 2356 and H.R. 2554, respectively.)

(H.A.S.C. 99–11)

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